

**Reference: Deed Book 1679
Page 233
Deed Book 2213
Page 160**

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
THE VILLAGE**

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Declaration of Covenants, Conditions, and Restrictions for The Village

TABLE OF CONTENTS

<u>Article</u>	<u>Section</u>	<u>Page</u>
I.	DEFINITIONS	5
II.	ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	7
	1. Membership	7
	2. Voting	7
III.	ASSESSMENTS	7
	1. Purpose of Assessment	7
	2. Creation of the Lien and Personal Obligation for Assessments	7
	3. Special Assessments	7
	4. Specific Assessments	8
	5. Computation of Annual Assessment	8
	6. Lien for Assessments	8
	7. Nonpayment of Assessments: Remedies of the Association	8
IV.	MAINTENANCE	
	1. Association's Responsibility	9
	2. Owner's Responsibility	9
V.	USE RESTRICTIONS AND RULES	10
	1. General	10
	2. Use of Lots	10
	3. Business Use	10
	4. Signs	10
	5. Parking	10
	6. Occupants Bound	11
	7. Animals and Pets	11
	8. Nuisance	11
	9. Unsightly or Unkempt Conditions	11
	10. Architectural Standards	11
	11. Notice of Sale or Lease	12
	12. Leasing of Lots	12
VI.	INSURANCE AND CASUALTY LOSSES	13
	1. Insurance Maintained by the Association	13
	2. Insurance Maintained by the Lot Owner	15
	3. Damage and Destruction	15

Declaration of Covenants, Conditions, and Restrictions for The Village

VII.	CONDEMNATION	16
VIII.	ANNEXATION OF ADDITIONAL PROPERTY	16
IX.	MORTGAGEE PROVISIONS	16
	1. Notices of Action	17
	2. Special FHLMC Provision	17
	3. Common Property Taxes	17
	4. No Priority	18
	5. Notice to Association	18
X.	EASEMENTS	18
	1. Easements for Encroachment	18
	2. Easements for Use and Enjoyment	18
	3. Easements for Utilities	19
	4. Easement for Entry	19
XI.	GENERAL PROVISIONS	19
	1. Enforcement	19
	2. Self-Help	19
	3. Duration	20
	4. Amendment	20
	5. Partition	20
	6. Gender and Grammar	20
	7. Severability	20
	8. Captions	21
	9. Conveyances of Common Property	21
	10. Perpetuities	21
	11. Indemnification	21
	12. Books and Records	21
	13. Financial Review	22

Declaration of Covenants, Conditions, and Restrictions for The Village

AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR
THE VILLAGE

In accordance with the terms and provisions of the Original Declaration and the Declaration of Use Restrictions, the following amendments are adopted on this date by the membership of The Village Homeowners Association, Inc. (herein sometimes called "Association"):

WITNESSETH

WHEREAS, Declarant, Robert G. Dallman, not in his individual capacity but solely as trustee under Trust Agreement ("MBL Trust") dated May 1, 1975, with Union Bank as Agent, was the owner of the real property described on Exhibit "A" of this Declaration ("Property") and subjected the Property to that certain Declaration of Covenants, Conditions and Restrictions recorded in Deed Book 1679, Page 233, et seq., on April 19, 1976, in the Cobb County, Georgia records ("Original Declaration"); and

WHEREAS, Declarant additionally subjected the Property to that certain Declaration of Architectural, Maintenance and Use Restrictions for the Village recorded in Deed Book 1679, Page 274, et seq., Cobb County, Georgia records ("Declaration of Use Restrictions"); and

WHEREAS, the Original Declaration was amended by instrument dated July 28, 1980, and recorded in Deed Book 2213, Page 160, et seq., Cobb County, Georgia records; and

WHEREAS, plats relating to the Property are recorded in the Cobb County, Georgia records as follows:

<u>Plat Book</u>	<u>Page</u>
65	170
66	26
66	83
76	13
76	50
76	109
77	153
77	200
80	50
87	92
91	41
95	18
99	22
104	9

Declaration of Covenants, Conditions, and Restrictions for The Village

WHEREAS, Article XI, Section 4, of the Original Declaration, as amended, provides for amendment by an agreement signed by at least two-thirds (2/3) of the Owners of record whose Lots are subject to the Original Declaration; and

WHEREAS, Article V, Section 2, of the Declaration of Use Restrictions provides for amendment by an agreement signed by at least two-thirds (2/3) of the Owners of Record whose Lots are subject to the Declaration of Use Restrictions; and

WHEREAS, at least two-thirds (2/3) of the Owners of record whose Lots are subject to the Original Declaration and the Declaration of Use Restrictions have evidenced their consent to this amendment of the instruments by their execution below; and

WHEREAS, Article VI, Section 4 of the By-Laws of the Village Homeowners Association, Inc. ("Original By-Laws") provides for amendment of that instrument upon the affirmative vote of a majority of the votes which members in attendance or represented by proxy at a duly called meeting of the Association are entitled to cast; and

WHEREAS, Members holding a majority of the votes entitled to be cast at a duly called meeting of the Association have approved the amendment to the Original By-Laws attached hereto as Exhibit "C";

NOW, THEREFORE, the Original Declaration and the Declaration of Use Restrictions are hereby amended by striking those declaration sin their entirety, except as specifically incorporated herein, and substituting therefore this Amended and Restated Declaration of Covenants, Conditions, and Restrictions for The Village ("Declaration"); and

The Original By-Laws are hereby amended by striking the provisions thereof in their entirety and substituting therefore the amended and restated By-Laws of The Village Homeowners Association, Inc. ("By-Laws") attached hereto as Exhibit "C".

The real property described on Exhibit "A" of this Declaration, including the improvements constructed thereon, shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property now or hereafter made subject hereto, and shall be binding on all persons having any right, title, or interest in all or any portion of the real property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

Article I Definitions

Unless otherwise defined herein or in the By-Laws, the terms used in this Declaration shall have their ordinary, generally accepted meanings. Certain words used in this Declaration shall be defined as follows, unless the context shall prohibit such definition:

Declaration of Covenants, Conditions, and Restrictions for The Village

- (a) “Association” – The Village Homeowners Association, Inc., a Georgia nonprofit corporation, its successors and assigns.
- (b) “Board of Directors” or “Board” – the body elected by the membership of the Association to manage the affairs of the Association in accordance with this Declaration, the By-Laws, and Georgia law.
- (c) “By-Laws” – the By-Laws of The Village Homeowners Association, Inc., attached as Exhibit “C” and incorporated by this reference.
- (d) “Common Property” – any and all real and personal property, easements and other interests together with the facilities and improvements located thereon, owned by the Association or held for the common use, benefit, and enjoyment of the Owners.
- (e) “Community” – all that real property and interests therein described on Exhibit “A”, and such additional real property as is hereafter subjected to this Declaration pursuant to Article IX.
- (f) “Community-Wide Standard” – the standard of conduct, maintenance, or other activity generally prevailing in the Community, as specifically determined by the Board of Directors.
- (g) “Declarant” – Tectonic Energy Savings Homes, Inc., as successor to Robert G. Dallman, not in his individual capacity but solely as trustee under that Trust Agreement (the “MBL Trust”) dated May 1, 1975, with Union Bank as Agent.
- (h) “Lot” – a portion of the Community shown as a numbered plot of land on a plat of survey for The Village recorded in the Cobb County, Georgia, land records, and constituting a single dwelling site. Each Owner shall be entitled to the exclusive ownership and possession of his or her Lot.
- (i) “Majority” – a number constituting more than fifty (50%) percent of the total eligible number of votes, Owners, or other group. Unless otherwise specifically stated, the words “majority vote” shall mean more than fifty (50%) percent of the eligible voting interest cast in person or by proxy in the case of a membership vote, or more than fifty (50%) percent of the votes cast in the case of a Board vote. Unless otherwise provided in this Declaration, the Articles of Incorporation, or the By-Laws, all decisions shall be by majority vote.
- (j) “Mortgage” – any mortgage, deed to secure debt, deed of trust, security deed, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.
- (k) “Mortgagee” – the holder of a Mortgage.
- (l) “Owner” – the record owner, whether one (1) or more Persons, of the fee simple title to any Lot located within the Community, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.
- (m) “Person” or “Persons” – any natural person, corporation, joint venture, partnership (general or limited), association, trust, or other legal entity.

Declaration of Covenants, Conditions, and Restrictions for The Village

Article II

Association Membership and Voting Rights

Section 1. Membership. Every Person who is the record owner of a fee or undivided fee interest in any Lot shall be deemed to have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership may be exercised by a member or the member's spouse.

Section 2. Voting. Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves and advise the Secretary prior to any meeting. In the absence of such advice, the Lot's voice shall be suspended if more than one (1) Person seeks to exercise it.

Article III

Assessments

Section 1. Purpose of Assessment. The assessments shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of Lots, including the maintenance of real and personal property, as authorized by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation for Assessment. Each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) annual assessments or charges; (b) special assessments established in accordance with Section 3 below; and (c) specific assessments established in accordance with Section 4 below, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration and the By-Laws. All such assessments, plus late charges, interest (not to exceed the maximum legal rate), costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Lot. Each such assessment, including late charges, 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 the assessment fell due. Each Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Lot, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any first Mortgage holder taking title through foreclosure proceedings or deed in lieu of foreclosure.

Annual and special assessments shall be levied at a uniform rate per Lot in such manner and on such dates as may be fixed by the Board of Directors, which may include acceleration of the annual assessment for delinquents, upon ten (10) days' written notice. Unless otherwise provided by Board, annual assessments shall be paid in monthly installments.

Section 3. Special Assessments. In addition to the other assessments authorized herein, the Board may levy special assessments so long as the total amount of special assessments allocable to

Declaration of Covenants, Conditions, and Restrictions for The Village

each Lot does not exceed Three Hundred (\$300.00) Dollars in any one fiscal year. However, prior to becoming effective, the Board of Directors must call a special meeting of the membership for the purpose of presenting the special assessment. Any special assessment presented at a meeting shall automatically be approved unless disapproved by Members holding at least a Majority of the total Association vote at that meeting. Any special assessment which would cause the amount of the special assessments allocable to any Lot to exceed this limitation shall be effective only if approved by a vote of Members holding at least a Majority of the total Association vote. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Section 4. Specific Assessments. The Board may levy specific assessments against any Lot as follows: (a) common expenses benefiting less than all Lots may be assessed equitably against the Lots benefited; and (b) common expenses occasioned by the conduct of the Owner, any occupant, or guest of any Lot, and fines levied on account of the conduct of any such Person pursuant to the By-Laws may be specifically assessed against such Lot.

Section 5. Computation of Annual Assessment. It shall be the duty of the Board annually to prepare a budget covering the estimated costs of operating the Association during the upcoming fiscal year, which shall include a capital contribution to reserves in accordance with a capital budget separately prepared. The Board shall cause a copy of the budget and notice of the assessment to be levied against each Lot for the coming fiscal year to be delivered to each member at least twenty-one (21) days prior to the annual meeting. The budget and the assessment established therefrom shall become effective unless disapproved at the annual meeting by a Majority of the total eligible votes in the Association. Notwithstanding the foregoing, however, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the current year shall continue for the succeeding year, and the Board may propose a new budget at any time during the year by causing the proposed budget and assessment to be delivered to the members at least thirty (30) days prior to the proposed effective date thereof. Such budget shall become effective unless disapproved at a meeting of the membership by a Majority of the total eligible votes in the Association, which meeting shall be called by the Board at least seven (7) days prior to the effective date of the proposed budget.

Section 6. Lien for Assessments. All sums assessed against any Lot, including late charges, interest, costs, and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on any first Mortgage duly recorded in the public records of Cobb County, Georgia, and all amounts advanced pursuant to such Mortgage and secured in accordance with the terms of such instrument.

All Persons acquiring liens or encumbrances on any Lot shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Section 7. Nonpayment of Assessments: Remedies of the Association. Any installment of an annual or special assessment which is not received within fifteen (15) days from the first day of the month in which it is due shall be delinquent and shall incur a late charge as determined by the Board. The Board shall cause a notice of such delinquency to be given to the Lot Owner. If the assessment is not paid within thirty (30) days after the date of such delinquency notice, a lien, as herein provided, may be filed. The lien shall include late charges, interest (not to exceed the maximum legal rate) on the principal amount due and on all late charges from the date first due and payable, all costs of collection, reasonable

Declaration of Covenants, Conditions, and Restrictions for The Village

attorney's fees actually incurred, and any other amounts provided for or permitted by law. The lien amount shall be for the entire unpaid balance of the annual assessment if so determined by the Board, pursuant to Section 2 of this Article. In the event that any portion of the assessment remains unpaid sixty (60) days after the due date, the Association may, as the Board shall determine, institute suit to collect all delinquent amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of such charges as a debt, or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the same. No Owner may waive or otherwise avoid liability for assessments by non-use of the Common Property, abandonment of the Lot, or otherwise. All payments shall be applied first to costs and attorney's fees, second to late charges, third to interest and fourth to delinquent assessments. The Board may, upon payment by the Owner of costs and all delinquent assessments, release the lien for the entire accelerated annual assessment balance without waiver of any rights.

Article IV Maintenance

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Property, including maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Property. The Common Property shall be maintained in a manner consistent with the Community-Wide Standard.

The Association shall have the right, but not the obligation, to maintain property not owned by the Association where the Board has determined that such maintenance would benefit all Owners.

Section 2. Owner's Responsibility. Except as provided in Section 1, above, all maintenance of the Lot shall be the responsibility of the Owner. All Lots, including the exterior of all improvements on the Lots, shall be maintained in a neat, attractive, and safe condition by their respective Owners, consistent with the Community-Wide Standard. Such maintenance shall include, but shall not be limited to, painting, replacing, repairing and caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, grass, walks and other landscaping and improvements. If the Board of Directors determines that (a) any Owner has failed or refused to discharge properly his obligations with regard to the maintenance, repair, or replacement of items for which he is responsible; or (b) that the need for maintenance, repair, or replacement of Common Property is caused through the willful or negligent act of an Owner, his or her family, occupants, guests, lessees, or invitees and is not fully covered or paid for by insurance, the Association may perform the repair, replacement, or maintenance and charge all costs thereof to the Owner as a Specific Assessment pursuant to Article III, Section 4. Except in the event of an emergency, prior to performing any maintenance, repair, or replacement under clause (a) above, the Board shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth the maintenance, repairs, or replacement deemed necessary and shall give the Owner ten (10) days within which to complete such work or, if not capable of completion within ten (10) days, to commence such work which shall be completed within a reasonable time.

Declaration of Covenants, Conditions, and Restrictions for The Village

Article V

Use Restrictions and Rules

Section 1. General. The Board may, without consent of the members, promulgate, modify, or delete use restrictions and rules and regulations applicable to the Lots and the Common Property. This authority shall include, but shall not be limited to, the right to assign parking spaces and limit the type and size of vehicles permitted in the community. To the extent permitted by law and Cobb County ordinances, the Association shall have the authority to impose all other necessary traffic and parking regulations and to restrict the maximum noise levels of vehicles in the Community. Such regulations and use restrictions shall be binding upon all Owners and occupants until and unless overruled, cancelled, or modified in a meeting by members holding a majority of the total Association vote.

Section 2. Use of Lots. All Lots shall be used for single-family residential purposes exclusively.

Section 3. Business Use. No trade or business may be conducted in or from any Lot or Common Property, except that an Owner or occupant residing in a residence constructed on a Lot may conduct business activities within the residence so long as: (a) the existence or operation of the business activity is not apparent or detectible by sight, sound or smell from the exterior of the residence; (b) the business activity conforms to all zoning requirements for the Community; (c) the business activity does not involve persons coming into the Community who do not reside in the Community or door-to-door solicitation of residents of the Community; and (d) the business activity is consistent with the residential character of the Community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Community, as may be determined in the sole discretion of the Board.\

The terms “business” and “trade”, as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include without limitation any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider’s family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of a Lot in accordance with Article V, Section 12 hereof shall not be considered a trade or business within the meaning of this Section.

Section 4. Signs. Each Lot Owner shall have the right to erect, place, or maintain on his Lot one (1) commercial sign, such as, by way of example, but not limitation a “for Rent”, “For Sale” or “Garage Sale” signs, or one (1) advertising poster of any kind. In addition, Lot Owners shall have the right to display on their respective Lots reasonable and customary name and address signs and security signs. No signs of any kind shall be erected, placed, or maintained on the Common Property without the prior written consent of the Board of Directors. No sign shall be larger than two (2) feet by two (2) feet.

Section 5. Parking. The Association may assign parking spaces on the Common Property; otherwise, parking on the Common Property shall be on a first come, first serve basis. Vehicles shall be parked only in designated spaces on the Common Property, garages or in the paved driveway serving the Lot. Garage doors shall be kept closed except for necessary use, ingress, or egress.

Declaration of Covenants, Conditions, and Restrictions for The Village

Commercial vehicles, tractors, mobile homes, trailers (either with or without wheels), campers, camper trailers, motorcycles, vans, recreational vehicles, boats and other watercraft, and boat trailers may be parked within the Community, including the Lots, only as permitted by the Board.

Section 6. Occupants Bound. Provisions of the Declaration and By-Laws, as well as rules, regulations, and use restrictions which govern the conduct of Owners and which provide for sanctions against Owners, shall also apply to all occupants of any Lot.

Section 7. Animals and Pets. No animals, livestock, or poultry may be raised, bred, kept, or permitted on any Lot, with the exception of dogs, cats, or other usual and common household pets. Pets which are kept, bred, or maintained for any commercial purpose, permitted to roam free, or, in the sole discretion of the Board, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots may be removed based on the sole discretion of the Board. Dogs which are household pets shall be confined on a leash whenever outside a Lot. Dogs shall be walked only in those areas designated by the Association, if any.

Section 8. Nuisance. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition of his or her Lot. No Lot shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property adjacent to the Lot. There shall not be maintained any plants, animals, device or thing whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community.

Section 9. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

Section 10. Architectural Standards. No exterior construction, alteration, addition, or erection of any nature, including, without limitation, planting and removal of vegetation, and installation of mailboxes, shall be commenced or placed upon any part of the Community unless and until the plans and specifications showing the nature, kind, shape, height, materials, and location thereof shall have been submitted in writing to and approved by the Board or an architectural review committee. The Board may promulgate written guidelines for the exercise of this review.

The Board shall be the sole arbiter of such plans and may withhold approval for any reason, including aesthetic considerations, and shall be entitled to stop any construction in violation of these restrictions. Any member of the Board or the architectural review committee shall have the right, during reasonable hours, to enter upon any Lot to inspect any Lot and improvements for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such person or persons shall not be deemed guilty of trespass by reason of such entry. If the Board fails to approve or disapprove the design and location of any proposed project within sixty (60) days after the plans and specifications have been submitted, the plans will be deemed approved and this Section will be deemed to have been fully complied with.

Declaration of Covenants, Conditions, and Restrictions for The Village

The Board may delegate its rights and responsibilities under this Section to an architectural review committee comprises of three (3) or more members, at least one (1) of whom is a member of the Board.

Section 11. Notice of Sale or Lease. In the event an Owner sells or leases his or her Lot, the Owner shall give to the Association, in writing, the name of the purchaser or lessee of the Lot and such other information as the Board may require within ten (10) days of transfer of title or execution of the lease, respectively.

Section 12. Leasing of Lots.

(a) All leases must be for an initial term of no less than one (1) year. Lots may be leased only in their entirety; no fraction or portion may be leased. There shall be no subleasing of Lots or assignment of leases unless approved in writing by the Board. No transient tenants may be accommodated on any Lot.

(b) All leases shall be in writing and shall be in a form approved by the Board. Attached hereto as Exhibit "B" is an example of an acceptable lease form. The Owner of any leased Lot must file a copy of the lease with the Board within ten (10) days of its execution. The following language shall be incorporated into a lease by existence of this covenant on the Lot. Any lessee, by occupancy of a Lot, agrees to the applicability and incorporation of following language into the lease:

(i) Liability for Assessment. The lessee agrees to be personally obligated for the payment of all assessments against the Owner which become due during the term of the lease and any other period of occupancy by the lessee or which become due as a consequence of the lessee's activities in violation of the Declaration, the By-Laws, or the rules and regulations. The above provision shall not be construed to release the Lot Owner from any obligation, including the obligation for assessments, for which the Owner would otherwise be responsible.

Upon request by the Association, the lessee shall pay to the Association all unpaid annual and special assessments, as lawfully determined and made payable during the term of the lease and any other period of occupancy by lessee; however, the lessee need not make such payments to the Association in excess of or prior to the due dates for monthly rental payments unpaid at the time of the Association's request. All such payments made by the lessee shall reduce, by the same amount, the lessee's obligation to make monthly rental payments to the lessor. If the lessee fails to comply with the Association's request to pay assessments, the lessee shall pay to the Association all late charges, fines, interest, and costs of collection, including, but not limited to, reasonable attorney's fees actually incurred, to the same extent the lessee would be required to make such payments to the Association of the lessee were the owner of the premises during the term of the agreement and any other period of occupancy by the lessee.

(ii) Compliance with the Declaration, By-Laws and Rules and Regulations. The lessee agrees to abide by and comply with all provisions of the Declaration, By-Laws and rules and regulations and shall control the conduct of all other occupants and guests in order to ensure compliance with the foregoing. The Owner(s) is responsible for all violations and losses caused by such occupants, notwithstanding that such occupants of the Lot are fully liable and may be personally sanctioned for any violation. In the event that the lessee, or person living with the lessee, violates the Declaration, By-Laws, or a rule and a fine is imposed, such fines shall be assessed against the lessee. If the fine is not paid by the lessee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines constitute a lien against the Lot. Any

Declaration of Covenants, Conditions, and Restrictions for The Village

lessee charged with a violation is entitled to the same procedure to which an Owner is entitled prior to the imposition of a fine or other sanction.

Any violation to the Declaration, By-Laws, or rules and regulations is deemed to be a violation of the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from any violation of the Declaration, By-Laws, or rules and regulations, including the power to evict the lessee on behalf of and for the benefit of the Owner. Except in the case of an emergency, the Association shall give the Owner prior notice of the eviction and, in the discretion of the Board, may provide the Owner with an opportunity to cure the breach in question. In the event the Association proceeds to evict the lessee, any costs, including attorneys' fees and court costs, associated with the eviction shall be specifically assessed against the Lot and the Owner pursuant to Article III, Section 4, such being deemed as an expense which benefits the leased Lot and the Owner.

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

(b) Applicability of Section 12. Leases existing on the date on which this amended and restated Declaration is recorded in the Cobb County, Georgia records shall not be subject to the terms of Sections 12(a) and (b). Such leases may continue in accordance with the terms of the Original Declaration as it existed prior to the recording date of this amendment. However, any assignment, extension, renewal, or modification of any lease agreement shall be considered a termination of the old lease and commencement of a new lease which must comply with this Section 12. All Owners who are currently leasing shall file copies of their respective leases with the Board within thirty (30) days of the date on which this amended and restated Declaration is recorded in the Cobb County, Georgia records.

Section 12(b) shall not apply to any leasing transaction entered into by the holder of any first Mortgage on a Lot who becomes the Owner of a Lot through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage.

Article VI

Insurance and Casualty Losses

Section 1. Insurance Maintained by the Association. The Association's Board or its management agent shall have the authority to obtain insurance for all insurable improvements on the Common Property. At a minimum, insurance shall cover loss or damage by fire and those perils typically insured against by an extended coverage policy, including vandalism and malicious mischief. Coverage shall be sufficient to cover the full replacement cost of repair or reconstruction in the event of damage or destruction from any insured risk. The policies may contain a reasonable deductible, which shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

The Board shall obtain a public liability policy applicable to the Common Property covering the Association for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall have a combined single limit of at least One Million (\$1,000,000.00) Dollars. Directors' and Officers' liability insurance shall also be secured.

Declaration of Covenants, Conditions, and Restrictions for The Village

Premiums for all insurance shall be common expenses of the Association.

Insurance coverage obtained by the Board shall be written in the name of the Association for the respective benefited parties, as identified in subparagraph (b) below. Such insurance shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in Georgia and holding a Best's rating of B+ or better and a rating of XI or better in the Financial Size Category as established by A. M. Best Company, Inc., if available, or the most nearly equivalent rating.

(b) All policies shall be for the benefit of the Lot Owners and respective Mortgagees, as their interests may appear.

Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board. No Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations.

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

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Cobb County, Georgia, area.

(f) The Board shall be required to make every reasonable effort to secure insurance policies that will contain the following:

(i) a waiver of subrogation by the insurer as to any claims against the Board, the Owners, and their respective tenants, agents, and guests;

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

(iii) a statement that no policy may be cancelled, invalidated, suspended or not removed on account of any one or more individual Owners;

(iv) a statement that no policy may be cancelled, invalidated, suspended, or not renewed on account of any defect or the conduct of any director, officer, or employee of the Association without prior written notice delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time within which a cure may be effected by the Association, any Owner or Mortgagee;

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

(vi) a statement that no policy may be cancelled, substantially modified, or not renewed without at least thirty (30) days' prior written notice to the Association.

Declaration of Covenants, Conditions, and Restrictions for The Village

The Board shall obtain worker's compensation insurance, if necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors, officers, employees, and other positions responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but if available at reasonable cost, shall not be less than three (3) months' assessments plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled, substantially modified, or not renewed without at least thirty (30) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage, and flood insurance, if necessary to satisfy the requirements of The Mortgage Corporation or the Federal National Mortgage Association.

Section 2. Insurance Maintained by the Lot Owner. Each Lot Owner shall obtain and maintain insurance for all insurable improvements comprising the Lot, including the dwelling on the Lot. At a minimum, this insurance shall cover loss or damage by fire and other hazards typically covered by an extended coverage policy, including vandalism and malicious mischief, in an amount sufficient to cover the full replacement cost of any repair or reconstruction of damage or destruction from any such hazard. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of any structure on his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed and the Owner determines not to rebuild or to reconstruct, the Owner shall clear the Lot of all debris and thereafter maintain the Lot in a neat and attractive condition consistent with the Community-Wide Standard. The Board of Directors shall notify the Cobb County Building Inspector, in writing, within three (3) days of total destruction of the structure.

Section 3. Damage and Destruction.

(a) In General. Immediately after damage or destruction by fire or other casualty to all or any improvements covered by insurance written in the name of the Association, the Board or its management agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. (Repair or reconstruction, as used in this paragraph, means repairing or restoring the structures and the property to substantially the same condition and location in which they existed prior to the casualty, allowing for any changes or improvements necessary to meet current building codes.)

(b) Repair and Reconstruction. Any damage or destruction to the Common Property shall be repaired or reconstructed unless, within sixty (60) days after the casualty, Members holding at least seventy-five (75%) percent of the total Association vote shall otherwise agree. If for any reason either the amount of insurance proceeds to be paid or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, the period shall be extended until such information is made available. Any such extension shall not exceed sixty (60) days. Mortgagees shall not have the right to participate in the determination of whether Common Property damage or destruction shall be repaired or reconstructed.

If the damage or destruction for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Association's members, levy special assessment at a uniform rate against each Lot and the Owner thereof. Additional assessments may be made in like manner at any time during or following the completion of repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction, such excess shall be deposited to the benefit of the Association.

Declaration of Covenants, Conditions, and Restrictions for The Village

If the Association determines the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, the property shall be cleared of all debris, restored to its natural state and maintained as an undeveloped portion of the Common Property by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

Article VII Condemnation

Whenever all or any part of the Common Property shall be condemned (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members representing at least seventy-five (75%) percent of the total vote of the Association) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof.

The aware made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after such taking Members representing at least seventy-five (75%) percent of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining Common Property to the extent lands are available therefore, in accordance with plans approved by the Board. If such improvements are to be repaired or restored, the provisions of Article VI regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Property, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such aware or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors shall determine.

Article VIII Annexation of Additional Property

Subject to the consent of the Owner, upon the affirmative vote of a majority of the members of the Association present or represented by proxy at a meeting duly called for such purpose, the Association may annex additional real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the office of the Clerk of the Superior Court of Cobb County, Georgia, a Supplemental Declaration describing to the property being annexed. Any such Supplemental Declaration shall be signed by the President and Secretary of the Association, and any such annexation shall be effective upon the filing for record of such Supplemental Declaration, unless otherwise provided therein. The notice and quorum requirements for any meeting called to consider annexation shall be as specified in the By-Laws.

Article IX Mortgagee Provisions

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

Declaration of Covenants, Conditions, and Restrictions for The Village

Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides written request to the Association (including the name and address of the Mortgagee and the Lot number on which it holds a Mortgage), (thereby becoming an “eligible holder”), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; and any default in the performance by an Owner of any obligation under the Declaration or By-Laws which is not cured within sixty (60) days;

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

(d) any proposed action which would require the consent of a specified percentage of Mortgagees.

Section 2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation (The Mortgage Corporation), the following provisions apply in addition to and not in lieu of the foregoing. Unless two-thirds (2/3) of the first Mortgagees or Owners give their consent, the Association shall not:

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

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

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

(d) fail to maintain fire and extended coverage insurance, as required by this Declaration,
or

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

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

Section 3. Common Property Taxes. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and may or have become a charge against the Common Property and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage

Declaration of Covenants, Conditions, and Restrictions for The Village

upon the lapse of a policy for the Common Property, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

Section 4. No Priority. No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over rights of the first Mortgagee in the case of distribution of insurance proceeds or condemnation awards for losses to or condemnation of the Common Property.

Section 5. Notice to Association. Each Lot Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

Article X Easements

Section 1. Easements for Encroachment. There shall be reciprocal appurtenant easements for encroachment as between each Lot and such portion or portions of the Common Property adjacent thereto or as between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, no easement for encroachment shall exist if such encroachment occurred due to willful conduct on the part of an Owner, occupant, or the Association.

Section 2. Easements for Use and Enjoyment.

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

(i) the right of the Association to charge reasonable admission and other fees for the use of any portion of the Common Property and to limit the number of guests of Lot Owners and tenants who may use the Common Property;

(ii) the right of the Association to suspend the voting rights of a Lot Owner and the right of an Owner to use any recreational facilities in the Community, if any, for any period during which any assessment against his Lot remains unpaid, and for a reasonable period of time for an infraction of the Declaration, By-Laws, or rules and regulations;

(iii) the right of the Association to borrow money to improve the Common Property, or for construction, repairing or improving any facilities thereon and to give as security for the payment of any such loan a Mortgage covering all or any portion of the Common Property. However, the lien and encumbrance of any such Mortgage shall be subject and subordinate to any rights, interests, options, easements and privileges reserved or established herein for the benefit of the Owner or Mortgagee of any Lot. (Any contrary provision in this Declaration or in any such Mortgage notwithstanding, the exercise of any rights by the Mortgage holder in the event of a default shall not cancel or terminate any rights, easements, or privileges reserved or established herein for the benefit of

Declaration of Covenants, Conditions, and Restrictions for The Village

the Owner or Mortgagee of any Lot, irrespective of the order in which the respective Mortgages are executed.); and

(iv) the right of the Association to dedicate or transfer all or any portion of the Common Property subject to such conditions as may be imposed by the membership. No such dedication or transfer shall be effective unless approved in accordance with Article IX, Section 2(a).

Section 3. Easements for Utilities. There are reserved to the Association blanket easements upon, across, above, and under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service or system which the Board may decide to have installed to serve the Community, such as, but not limited to, a master television antenna system, cable television system, or security system. It shall be expressly permissible for the Board or its designee, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of such utilities or services. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board shall have the right to grant such easement.

Section 4. Easement for Entry. The Association shall have an easement to enter onto any Lot and into the dwelling or other structures located thereon for emergency, security, safety, and for other purposes reasonably necessary for the proper maintenance and operation of the Community. This right may be exercised by the Association's agents, employees, and managers, and by all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. It is intended that this right of entry shall include the right of the Association to enter a Lot to abate any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to abate the condition upon request by the Board.

Article XI General Provisions

Section 1. Enforcement. Each Owner and every occupant of a Lot shall comply strictly with the By-Laws, and the Association's rules as they may be lawfully amended or modified from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and in the deed to his or her Lot, if any. The Board of Directors may impose fines or other sanctions for violations, which shall be collected as provided for the collection of assessments. Failure to comply with this Declaration, the By-Laws or the Association's rules shall also be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Association, or, in a proper case, by an aggrieved Owner. Failure by the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Self-Help. The Association or its duly authorized agent shall have the power to enter upon a Lot or any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates this Declaration, the By-Laws, or the Association's rules. Unless an emergency situation exists, or the giving of notice would make the right of self-help useless (such as in the towing of illegally parked cars), the Board shall give the violating Lot Owner ten (10) days' written notice of its intent to exercise self-help. All costs of self-help, including

Declaration of Covenants, Conditions, and Restrictions for The Village

reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided herein for collection of assessments.

Section 3. Duration. The provisions of this Declaration shall run with and bind the land and remain in effect perpetually to the extent permitted by law. So long as Georgia law limits the period during which covenants restricting lands to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land as long as permitted, and such provisions may be renewed or extended for successive periods not to exceed the period permitted by such law, provided such renewal or extension is approved by members holding at least a majority of the eligible votes present or represented by proxy at a meeting duly called for such purpose. No such renewal or extension shall be effective unless there is filed for record in the Office of the Clerk of the Superior Court of Cobb County, Georgia, on or before the effective date thereof, a document executed by the President and Secretary of the Association stating the terms of such renewal or extension and including certification by the Secretary that such extension and renewal was duly approved by the members of the Association. Every purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefore, agrees that this Declaration may be extended and renewed as provided in this Section.

Section 4. Amendment. This Declaration may be amended unilaterally at any time by the Board (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots; (c) if such amendment is required by an institutional or governmental lender or purchaser of Mortgage loans (including, without limitation, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation), to enable such lender or purchaser to make or purchase Mortgage loans on the Lots or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure Mortgage loans on the Lots. Any such amendment shall not adversely affect the title to any Lot unless the Lot Owner consents in writing.

Otherwise, this Declaration may be amended upon the affirmative vote or written consent, or a combination thereof, of Members holding at least a Majority of the total Association vote. Amendments to this Declaration shall become effective upon recordation in the Cobb County, Georgia records, unless a later effective date is specified therein.

Section 5. Partition. The Common Property shall remain undivided, and no lot Owner nor any other person shall bring any action for partition or division of the whole or any part without prior written consent of all Owners and all Mortgagees holding Mortgages on any portion of the property in the Community.

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

Section 7. Severability. Whenever possible, each provision shall be interpreted so as to be effective and valid, but if the application of any provision to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or application which can be given effect without the invalid provision or application, and, to this end, the provisions of this Declaration are declared to be severable.

Declaration of Covenants, Conditions, and Restrictions for The Village

Section 8. Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 9. Conveyances of Common Property. The Association shall accept such conveyances of Common Property as are made from time to time to the Association by Declarant.

Section 10. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Ronald Reagan, President of the United States.

Section 11. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, imposed upon or incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors 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 in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation.

Section 12. Books and Records.

(a) Inspection by Members and Mortgagees. This Declaration, the By-Laws, copies of rules and use restrictions, membership register, books of account, and minutes of Association's Board shall be made available for inspection and copying by any member of the Association or by his duly appointed representative and by holders, insurers, or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to his or her interest as a member or holder, insurer, or guarantor of a first Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish 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.

(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 copies of documents at the reasonable expense of the Association.

Declaration of Covenants, Conditions, and Restrictions for The Village

Section 13. Financial Review. The accounts of the Association shall be reviewed annually and a report, in audited, reviewed, or unaudited form as determined by the Board, shall be prepared by a public accountant. If the annual report is unaudited, the members may require that the accounts of the Association be audited as a common expense by a certified public accountant upon approval of members holding a majority of the eligible votes represented in person or by proxy at a duly constituted meeting of the membership. Upon written request of any institutional holder of a first Mortgage and upon payment of all necessary costs, such holder shall be entitled to receive a copy of the annual report within ninety (90) days after the end of each fiscal year.

IN WITNESS WHEREOF, the undersigned officers of The Village Homeowners Association, Inc. hereby certify that the foregoing amendment to the Original Declaration and the following amendment to the Original By-Laws were duly adopted by the requisite vote of the membership, as evidenced by the signatures of the Lot Owners below.

This _____ day of _____, 198_____.

THE VILLAGE HOMEOWNERS
ASSOCIATION, INC.

By: _____
President

Attest: _____
Secretary

Signs, sealed, and delivered
This _____ day of _____,
19____, in the presence of:

WITNESS

NOTARY PUBLIC

1066g

Declaration of Covenants, Conditions, and Restrictions for The Village

EXHIBIT "A"

Property Submitted

ALL THAT TRACT OR PARCEL OF LAND lying and being in land lot 868 of the 17th District, 2nd Section of Cobb County, Georgia and being more particularly described on that plat of survey for The Village prepared by Byrne-Helton & Associates recorded in Plat Book _____, Page _____, of the Cobb County, Georgia land records.

Declaration of Covenants, Conditions, and Restrictions for The Village

EXHIBIT "B"

STATE OF GEORGIA

COUNTY OF COBB

LEASE AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 19____, by and between _____, (hereinafter called "Lessor"), and _____, (hereinafter called "Lessee");

WITNESSETH

That in consideration of the mutual covenants hereinafter set forth, the parties do hereby agree as follows:

1. PREMISES LEASED, TERM OF LEASE, AND OCCUPANCY.

Lessor does hereby rent and lease to Lessee a home at _____ in The Village (hereinafter the "Premises") for a term of _____, commencing on _____, 19____, and ending on _____, 19____, midnight.

2. RENT. Lessee agrees to pay to Lessor

At _____ total rent for the term equal to _____ (\$_____) Dollars which rent shall be paid in equal monthly installments of _____ (\$_____) Dollars on the first day of each rental month during the term of this Lease, without deduction or demand. The rent amount specified above is subject to adjustment during the term of the Lease as described in Paragraphs 3 and 6 below.

3. LATE PAYMENTS AND RETURNED CHECKS. If Lessor elects to accept rent after the _____ day of the month, a late charge of \$_____ may be charged as additional rent. In the event Lessee's rent check is dishonored by the bank, Lessee agrees to pay Lessor \$_____ as a handling charge, in addition to any late charge. Cash, a cashier's check, certified check, or money order may be required for returned or future checks.

4. SECURITY DEPOSIT. Upon the execution of this Lease, Lessee agrees to pay to Lessor a security deposit in the amount of \$_____. The security deposit will be returned to Lessee within thirty (30) days after the Premises are vacated if:

Declaration of Covenants, Conditions, and Restrictions for The Village

(i) the lease term has expired or this Agreement has been terminated by both parties.

(ii) All monies due Lessor by Lessee have been paid; and

(iii) The Premises are not damaged and are left in the same condition as exists at the execution of this Lease, normal wear and tear excepted.

The deposit may be applied by Lessor to satisfy all or part of Lessee's obligations, and such application shall not prevent Lessor from claiming damages in excess of the deposit. Lessee agrees not to apply the deposit to any rent payment and also agrees to pay \$_____ for re-keying locks if all keys are not returned. Lessee acknowledges receipt of _____ keys.

In the event that any part of the deposit has been used by Lessor in accordance with the terms of this Lease or applicable law, Lessee shall upon demand immediately deposit with Lessor a sum equal to the amount so applied by Lessor so that Lessor shall have the full deposit on hand at all times during the Lease term including any extension, renewal or holdover term. In the event of any permitted assignment or sublease of this Lease by Lessee, the deposit shall be deemed to be held by Lessor as a deposit made by Lessee's assignee or sublessee, and Lessor shall have no further liability to return such deposit to the assignor or sublessor.

If Lessor is not a natural person, has used a rental agent, or leases more than ten (10) rental units:

(i) The security deposit shall be deposited in Escrow Account No. _____ at _____; and

(ii) Prior to the acceptance of a security deposit, Lessor shall present Lessee with a list signed by Lessor of all damage, if any, to the Premises. Lessee, after having been given an opportunity to inspect the Premises to ascertain the accuracy of the list, shall either verify the list by signing it or shall notify Lessor in writing of any items on the list to which Lessee dissents.

5. COMPLIANCE AND ENFORCEMENT BY ASSOCIATION. Lessee shall comply strictly with the Declaration of Covenants, Conditions, and Restrictions for the Village, (hereinafter the "Declaration"), the By-Laws of the Association, (hereinafter the "By-Laws"), and with the Association's rules and regulations, as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct of his or her family and guests in order to assure compliance with the foregoing and shall indemnify and hold Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges that the violation of Lessee, or any occupant or person living with Lessee, of any provision of the Declaration, By-Laws, or the rules and regulations adopted thereunder, shall constitute a default under this Lease.

In order to enforce the provisions of this Lease, the Association may bring an action against the Lessor or Lessee for damages or injunctive relief or may impose any other sanction authorized by the Declaration or By-Laws or available at law or in equity including, without limitation, all remedies available to a landlord upon breach or default of a lease (including eviction). Failure by the Association to enforce any of its rights shall not be deemed a waiver of the right to do so thereafter.

Lessor hereby delegates and assigns to the Association, acting through the Board, the power and authority to evict Lessee on behalf of and for the benefit of Lessor, in accordance with the terms hereof. In the event the Association proceeds to evict Lessee, any cost associated with the eviction,

Declaration of Covenants, Conditions, and Restrictions for The Village

including attorney's fees and court costs, shall be specially assessed against the Premises and shall be a personal obligation of Lessor, such being deemed hereby as an expense which benefits the Lessor.

Lessor hereby represents that Lessee has been given a copy of the Declaration, By-Laws, and Association rules and regulations, that Lessee has read them, and that Lessee is bound by them.

If Lessee or a person living with Lessee violates the Declaration, By-Laws or a rule or regulation for which a fine is imposed, such fine may be assessed against Lessee; provided, however, if the fine is not paid by Lessee within the time period set by the Board of Directors of the Association, Lessor shall pay the fine upon notice from the Association of Lessee's failure to pay the fine.

6. PAYMENT OF ASSESSMENTS. Upon request by the Association, Lessee shall pay to the Association all unpaid annual assessments and special assessments, as lawfully determined and made payable during the term of the Lease and any other period of occupancy by Lessee; provided, however, Lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Association's request. All such payments made by Lessee shall reduce, by the same amount, Lessee's obligation to make monthly rental payments to Lessor. If Lessee fails to comply with the Association's request to pay assessments, Lessee may be held liable to the Association for all late or delinquent charges, interest, and costs of collection including, but not limited to, reasonable attorney's fees actually incurred, to the same extent Lessee would be required to make such payments to the Association if Lessee were the owner of the Premises during the term of this Lease and any other period of occupancy by Lessee.

7. POSSESSION. Lessor shall not be liable to Lessee for damages for failure to deliver possession of the Premises to Lessee at the commencement of the term if such failure is due to no fault of the Lessor. Lessor shall use his or her best efforts to give possession of the Premises to the Lessee at the beginning of Lessee's term.

8. MAINTENANCE AND INDEMNIFICATION. Lessee accepts the Premises in the condition in which they are now and as suited for the use intended by Lessee. Lessor shall not be required to make any repairs or improvements on the Premises, except that on written notice from the Lessee of any defect rendering the Premises unsafe or untenantable, Lessor shall remedy such defective condition. Lessee shall comply with all notices and other requirements, including the Declaration, By-Laws and Association rules and regulations concerning maintenance and repair. Lessee shall be liable for and shall indemnify and hold Lessor harmless from any damage or injury to the person or property of Lessee or any other person if such damage or injury is due to the act or neglect of the Lessee or any other person in his control or employ, or if such damage or injury is due to any failure of Lessee to report in writing to Lessor any defective condition which Lessor would be required to repair under the terms hereof on notice from Lessee. Lessee releases Lessor from liability for and agrees to indemnify Lessor against all losses incurred by Lessor as a result of (a) Lessee's failure to fulfill any condition of this Agreement; (b) any damage or injury happening in or about the Premises to Lessee's invitees or licensees or such person's property; (c) Lessee's failure to comply with any requirements imposed by any governmental authority and as provided in Paragraph 6 hereof; and (d) any judgment, lien, or other encumbrance filed against the Premises as a result of Lessee's action. All personal property located or stored in the Premises or on Common Property of the Association shall be kept and stored at Lessee's sole risk, and Lessee shall indemnify and hold harmless Lessor and the Association from and against any loss or damage to such property arising out of any cause whatsoever. Lessor and the Association shall not be liable, except in the case of Lessor's direct negligence or willful misconduct, for any injury, damage, or loss resulting from any accident or occurrence in or upon the Premises or the Common Property sustained by Lessee or by any person claiming through Lessee.

Declaration of Covenants, Conditions, and Restrictions for The Village

9. USE AND OCCUPANCY. The Premises will be solely used for the purpose of Lessee's residence. Lessee shall not use or allow the Premises to be used for any disorderly or unlawful purposes or in any manner offensive to others, and Lessee shall comply with all applicable laws and ordinances. Lessee shall not remodel or make any structural changes to the Premises, nor shall Lessee remove or replace any fixtures on the Premises.

10. UTILITIES. All utility bills for services separately metered or billed to the Premises during the lease term shall be paid by _____.

11. PETS. Lessee shall keep only those pets or animals that comply with the rules and regulations adopted by the Board of Directors, and then only with prior approval from Lessor.

12. ASSIGNMENT AND SUBLEASING. Lessee shall not assign this Lease or sublet the Premises or any part thereof without the prior written permission of Lessor and the Board of Directors of the Association, pursuant to its duly adopted rules and regulations.

13. CASUALTY. If the Premises are rendered untenable by fire, storm, earthquake or other casualty, this Lease shall terminate as of the date of such destruction or damage, and rental shall be accounted for as of that date.

14. ACCESS. Lessor, his or her agents, and the agents of the Association shall have the right of access to the Premises, upon notice to Lessee, between the hours of 8:00 a.m. and 8:00 p.m., to inspect, maintain, and improve the Premises, and for the purpose of showing the Premises to prospective tenants during the last month of the lease term. In case of emergency, such parties may enter at any time to prevent property damage or personal injury.

15. DISCLOSURE. Lessor, as the owner of record of the Premises, or the person authorized to act for and on behalf of the Owner for the purpose of service of process and receiving and receipting for demands and notice is:

_____ (owner) (agent)

_____ (address)

The person authorized to manage the Premises is:

_____ (address)

16. HOLDOVER. Lessee shall not remain in possession of the leased Premises after the expiration of this Lease. Any holding over of the leased Premises by Lessee after the expiration of this Lease without a written renewal thereof or written consent from Lessor or Lessor's agents shall not constitute a tenancy-at-will by Lessee, but Lessee shall become a tenant-at-sufferance. There shall be no renewal whatsoever of this Lease by operation of law.

Declaration of Covenants, Conditions, and Restrictions for The Village

17. SURRENDER. Whenever under the terms hereof Lessor is entitled to possession of the Premises, Lessee shall at once surrender the Premises to Lessor in as good condition as at present, normal wear and tear excepted, and Lessee shall remove all of Lessee's effects therefrom, and Lessor may forthwith re-enter the Premises and repossess himself or herself thereof and remove all persons and effects therefrom, using such force as may be necessary without being guilty of forcible entry or detainer, trespass, or other tort.

18. ABANDONMENT. If Lessee removes or attempts to remove property from the Premises other than in the usual course of continuing occupancy without first having paid Lessor all monies due, the Premises may be considered abandoned, and Lessor shall have the right without notice, to store or dispose of any property left on the Premises by Lessee. Lessor shall also have the right to store or dispose of any of Lessee's property remaining on the Premises after termination of this Agreement. Any such property shall be considered Lessor's property, and title thereto shall rest in Lessor. Lessor shall have the right to re-rent the Premises after Lessee abandons same.

19. DEFAULT. Any breach or violation of any provision of this Lease by Lessee shall give Lessor the right to terminate this Lease or to take possession and hold Lessee liable for the remainder of the term. Should possession be obtained, Lessor, at Lessor's option, may re-rent the Premises as Lessee's agent at the risk and cost of the defaulting Lessee, whose default shall not relieve him or her of liability for the difference between the rent herein reserved and the rent actually received by Lessor during the term remaining after such default occurs.

20. CONDEMNATION. In the event that the Premises or any part thereof is taken by any authority exercising the power of eminent domain, this Lease shall terminate as of the date possession shall be taken by the condemnor. Lessee waives all claims against Lessor or any condemning authority by reason of the complete or partial taking of the Premises, and shall not be entitled to receive any part of any award which Lessor may receive, hereby quitclaiming all interest therein to Lessor.

21. SUBORDINATION OF RIGHTS. Lessee's and Lessor's rights shall be subject to all rights of the Association and any bona fide mortgage or deed to secure debt which is now or may hereafter be placed upon the Premises by Lessor.

22. ENTIRE AGREEMENT AND WAIVER. This Lease contains the entire agreement of the parties, and no representation, inducement, promises or agreements not contained herein shall be of any force or effect. No failure of Lessor to exercise any power given Lessor hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Lessor's right to demand exact compliance with the terms hereof.

23. REMEDIES CUMULATIVE. All remedies under this Lease or by law or equity shall be cumulative. If suit for any breach of this Lease establishes a breach by either Lessor or Lessee, the party found in breach shall pay to the other party all expenses incurred in connection therewith, including, but not limited to, attorney's fees.

24. ILLEGAL ACTIVITIES. The conduct of any unlawful activities on the Premises shall constitute a breach of this Lease.

25. SUCCESSORS. This Lease shall inure to the benefit of and shall bind the heirs, successors, personal representatives, and assigns of all parties to this Lease.

Declaration of Covenants, Conditions, and Restrictions for The Village

26. SPECIAL STIPULATIONS>

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

LESSOR: _____
(Signature)

Name: _____
(Please Print)

LESSEE: _____
(Signature)

Name: _____
(Please Print)

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