

STATE OF GEORGIA
COUNTY OF WHITE

DECLARATION OF CONDOMINIUM
FOR
RIVERSIDE ON EDELWEISS CONDOMINIUMS

THIS DECLARATION is made this 28th day of July, 2008, by EDELWEISS RIVER TOWN HOMES, LLC, a Georgia Limited Liability Company (hereinafter called the "Declarant").

WITNESSETH:

WHEREAS, Declarant is the fee simple owner of that certain tract or parcel of land lying and being in White County, Georgia, and in the City of Helen, Georgia; and

WHEREAS, certain improvements have been constructed on the Property as shown on the Plat and the Plans which are hereafter referenced; and

WHEREAS, Declarant has duly incorporated the Riverside on Edelweiss Condominium Association, Inc. as a nonprofit membership corporation under the laws of the State of Georgia; and

WHEREAS, the Declarant desires to submit the Property to the condominium form of ownership pursuant to the provisions of the Georgia Condominium Act, O.C.G.A. Section 44-3-70, et seq., and certain other terms and conditions.

NOW, THEREFORE, the Declarant does hereby make, declare and publish its intention and desire to submit, and does hereby submit, the Property, together with the improvements located thereon (collectively, hereinafter, the "Condominium") to the condominium form of ownership and to the provisions of O.C.G.A. Sections 44-3-70, et seq., as amended, and the terms and conditions hereinafter set forth. This Declaration is made pursuant to the Georgia Condominium Act, Georgia Laws 1975, No. 463, pages 609-671, O.C.G.A. Sections 44-3-70, et seq. (Miche 1982), as the same may heretofore or hereinafter be supplemented, amended or modified (hereinafter, the "Act").

ARTICLE 1
NAME

1.01 The name of the condominium shall be RIVERSIDE ON EDELWEISS, A CONDOMINIUM (the "Condominium").

ARTICLE 2
DESCRIPTION OF SUBMITTED PROPERTY

2.01 The Property is located in White County, Georgia, and in the City of Helen, Georgia, and is more particularly described in the Exhibit "A" attached incorporated herein by reference, and as follows:

All that tract or parcel of Land lying and being in Land Lot 39 of the 3rd Land District of White County, Georgia, and in the City of Helen, Georgia, and being the Tract 4, containing 1.803 acres, more or less, as designated and delineated on that certain Plat of Survey dated February 18, 2008, prepared for Riverside on Edelweiss Condominiums, by Construction Engineering Services, Inc., Clarkesville, Georgia, and James W. Woolley, Georgia Registered Land Surveyor No. 1478, recorded in Plat Book 1C, pages 87 - 88, Office of Clerk, Superior

Court, White County, Georgia, a copy of which is attached hereto as Exhibit "A-1". Reference is hereby made to said Plat of Survey and the record thereof for a more complete description. Said Plat of Survey are referred to as the "Plat" or the "Condominium Plat." Said Tract being having situated thereon the fifteen (15) Units intended for independent ownership and use and as substantially shown upon those certain plans prepared for Riverside on Edelweiss Condominiums, dated October 31, 2006, by Wright Mitchell & Associates, Inc., Roswell, Georgia, and Thomas H. Wright, Jr., Georgia Registered Architect No. 3642, containing seven sheets in total, and filed contemporaneously herewith in Condominium Plat Book 1C, pages 89 - 95, Office of Clerk, Superior Court, White County, Georgia, which are incorporated herein by this reference (said plans are referred to as the "Plans" or the "Condominium Plans"), a copies of which is attached hereto as Exhibit "A-2". Together with the easements described in Exhibit "A".

2.02 The Property is subject to the easements and other matters which are set forth in Exhibit "B" attached hereto and by reference made a part hereof.

ARTICLE 3 DEFINITIONS

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

(a) "Act" shall mean the Georgia Condominium Act, O.C.G.A. Section 44-3-70, et seq. (Michie 1982), as such act may be amended from time to time.

(b) "Additional Property" shall mean the property described in Exhibit "C" attached hereto which Declarant may, but shall have no obligation to, submit to the Condominium as provided in this Declaration.

(c) "Architectural Control Committee" or "ACC" shall mean the committee established to exercise the architectural review powers set forth in Article 12 hereof.

(d) "Articles" or "Articles of Incorporation" shall mean the Articles of Incorporation of Riverside on Edelweiss Condominium Association, Inc., a Georgia nonprofit corporation, filed with the Secretary of State of the State of Georgia, copies of which are attached hereto as Exhibits "F" and "G".

(e) "Association" shall mean Riverside on Edelweiss Condominium Association, Inc., a Georgia nonprofit corporation, its successors or assigns, formed for the purpose of exercising the powers of the Association pursuant to this Declaration and the Act.

(f) "Board" or "Board of Directors" shall mean the elected body responsible for management and operation of the Association.

(g) "Bylaws" shall mean the Bylaws of Riverside on Edelweiss Condominium Association, Inc., a copy of which is attached hereto as Exhibit "D".

(h) "Budget" shall mean the budget hereinafter referenced the initial version of which is attached hereto as Exhibit "E".

(i) "Common Elements" shall mean those portions of the Property subject

to this Declaration which are not included within the boundaries of a Unit, as more particularly described in this Declaration, including, but not limited to, green space, paved sidewalks and paved parking areas.

(j) "Common Expenses" shall mean the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium, including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements.

(k) "Common Profits" shall mean all income collected or accrued by or on behalf of the Association other than income derived from Assessments pursuant to this Declaration and the Act.

(l) "Condominium" shall mean all that real property, together with the improvements situated thereon, described in Exhibit "A" attached hereto and incorporated herein by this reference, submitted to the provisions of the Act by this Declaration.

(m) "Condominium Instruments" shall mean this Declaration and all exhibits to this Declaration, including the Bylaws of the Association, and the Plats and Plans, all as may be supplemented or amended from time to time.

(n) "Declarant" shall mean EDELWEISS RIVER TOWN HOMES, LLC, a Georgia Limited Liability Company, its successors and/or assigns.

(o) "Eligible Mortgage Holder" shall mean those holders of first mortgages secured by Units in the Condominium who have requested notice of certain items as set forth in this Declaration.

(p) "Expandable Condominium" shall mean a condominium, such as this Condominium, to which additional property may be added in accordance with the provisions of the Act and this Declaration.

(q) "Limited Common Elements" shall mean a portion of the Common Elements reserved for the exclusive use of one or more, but less than all, of the Units, as more particularly set forth in this Declaration.

(r) "Majority" means those eligible votes, Owners, or other groups as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

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

(t) "Mortgagee" or "Mortgage Holder" shall mean the holder of any mortgage.

(u) "Occupant" shall mean any Person occupying all or any portion of a Unit for any period of time, regardless of whether such Person is a tenant or the Owner of such property.

(v) "Owner" shall mean the record title holder of a fee simple or undivided interest in a Unit within the Condominium, but shall not include those Persons having such an interest solely as security for an obligation.

(w) "Person" shall mean any individual, corporation, firm, association, partnership, trust, or other legal entity.

(x) "Property" or "Submitted Property" means the property lawfully submitted to the Act by the recordation of the Condominium Instruments, as described in the Exhibit "A" attached hereto.

(y) "Plans" or "Condominium Plans" shall mean the plans for Riverside on Edelweiss, A Condominium, filed in the land records of the Office of the Clerk of the Superior Court of White County, Georgia, and referenced in this Declaration, copies of which are attached hereto as Exhibit "A-2".

(z) "Plat" or "Survey" shall mean the Plat of Survey for Riverside on Edelweiss, A Condominium, filed in the land records of the Office of the Clerk of the Superior Court of White County, Georgia, and referenced in this Declaration, a copy of which is attached hereto as Exhibit "A-1".

(aa) "Unit" shall mean that portion of the Condominium intended for individual ownership and use as more particularly described in this Declaration and shall include the undivided ownership interest in the Common Elements assigned to the Unit by this Declaration.

ARTICLE 4 CONVERTIBLE SPACE

4.01 Convertible Space. The Condominium does not contain any convertible space.

ARTICLE 5 UNIT INFORMATION AND BOUNDARIES

5.01 Buildings. The five buildings situated upon the Property are:

(a) Located on that 1.803-acre tract designated and delineated as Tract 4 on that certain Plat of Survey dated February 18, 2008, prepared for Riverside on Edelweiss Condominiums, by Construction Engineering Services, Inc., Clarkesville, Georgia, and James W. Woolley, Georgia Registered Land Surveyor No. 1478, recorded in Condominium Plat Book 1C, pages 87-88, Office of Clerk, Superior Court, White County, Georgia (a copy of which is attached hereto as Exhibit "A-1"), which is incorporated herein by this reference (hereinafter said condominium plat as recorded is referred to as the "Plat" or the "Condominium Plat"), on which 1.803-acre tract are situated fifteen (15) Units intended for independent ownership and use, and as substantially shown upon those certain plans prepared for Riverside on Edelweiss Condominiums, dated October 31, 2006, by Wright Mitchell & Associates, Inc., Roswell, Georgia, and Thomas H. Wright, Jr., Georgia Registered Architect No. 3642, containing seven sheets in total, and filed contemporaneously herewith in Condominium Plat Book 1C, pages 89 - 95, Office of Clerk, Superior Court, White County, Georgia, which are incorporated herein by this reference (hereinafter said plans are referred to as the "Plans" or the "Condominium Plans"), copies of which are attached hereto as Exhibit "A-2."

5.02 Unit Number. Each Unit shall have the identifying number allocated to it in accordance with the Plat and the Plans, and more particularly identified as follows (said Plat and Plans identify Edelweiss Strasse as Edelweiss Drive):

Unit 101, Building 1, with a physical address of 996 Edelweiss Strasse

Helen, Georgia 30545

Unit 101-L, Building 2, with a physical address of 976 Edelweiss Strasse
Helen, Georgia 30545

Unit 102-L, Building 2, with a physical address of 976 Edelweiss Strasse
Helen, Georgia 30545

Unit 201-U, Building 2, with a physical address of 976 Edelweiss Strasse
Helen, Georgia 30545

Unit 202-U, Building 2, with a physical address of 976 Edelweiss Strasse
Helen, Georgia 30545

Unit 101-L, Building 3, with a physical address of 974 Edelweiss Strasse
Helen, Georgia 30545

Unit 102-L, Building 3, with a physical address of 974 Edelweiss Strasse
Helen, Georgia 30545

Unit 201-U, Building 3, with a physical address of 974 Edelweiss Strasse
Helen, Georgia 30545

Unit 202-U, Building 3, with a physical address of 974 Edelweiss Strasse
Helen, Georgia 30545

Unit 101-L, Building 4, with a physical address of 946 Edelweiss Strasse
Helen, Georgia 30545

Unit 102-L, Building 4, with a physical address of 946 Edelweiss Strasse
Helen, Georgia 30545

Unit 201-U, Building 4, with a physical address of 946 Edelweiss Strasse
Helen, Georgia 30545

Unit 202-U, Building 4, with a physical address of 946 Edelweiss Strasse
Helen, Georgia 30545

Unit 101, Building 5, with a physical address of 926 Edelweiss Strasse
Helen, Georgia 30545

Unit 102, Building 5, with a physical address of 926 Edelweiss Strasse
Helen, Georgia 30545

5.03 Boundaries. Each Unit shall include that part of the Condominium Building containing such Unit that lies within the following boundaries:

(a) Upper and lower boundaries. The upper and lower boundaries of a Unit shall be the boundary of the horizontal plane of the unfinished ceiling surface of the upper level of a Unit extended to an intersection with the perimetrical boundaries as an upper boundary, and the boundary of the horizontal plane of the unfinished surface of the floor of the lower level of a Unit extended to an intersection with the perimetrical boundary as a lower boundary.

(b) Perimetrical Boundary. The perimetrical boundary of each Unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:

(i) Exterior Building Walls: The intersecting vertical planes adjacent to and which include the unfinished surface of the interior of the outside walls of the Condominium Building bounding a Unit;

(ii) Interior Building Walls: The vertical planes of the interior unfinished surface of the walls bounding a Unit (excluding interior partitions within Units) extended to intersections with other perimetrical boundaries.

(c) The owner of a Unit shall not be deemed to own any spaces or

improvements lying beneath the unfinished inner surfaces of the perimeter walls and floors, and above the lowest horizontal plane of the uppermost structural elements of each Unit, nor any spaces or improvements lying beneath the uncoated and/or unfinished inner surface of all interior columns, bearing walls and/or bearing partitions, nor any pipes, ducts, vents, wires, conduits or other facilities, equipment and/or fixtures running through any interior wall or horizontal or vertical portion of a Unit, for the furnishing of utility services, heating and cooling and/or ventilation to Units, Common Elements and/or Limited Common Elements. All glass and other transparent and/or translucent material, insect screens and screening in windows and doors, the material covering other openings in the exterior or interior walls of Units and air conditioning compressors serving each Unit, where applicable, shall be construed to be within the boundaries or limits and part of the Unit exclusively served by such windows, doors, other openings and air conditioning compressors.

5.04 Subdivision and Partition of Units; Relocation of Boundaries. Subject to the provisions of the Official Code of Georgia Annotated Section 44-3-91 and the By-Laws of the Association, the boundaries between adjoining Units may be relocated from time to time, but no one Unit may be subdivided for the purpose of creating two or more Units therefrom and no Owner shall have the right of partition of a Unit.

ARTICLE 6 LIMITED COMMON ELEMENTS

6.01 Generally. The Limited Common Elements are those portions of the Common Elements which are reserved and assigned for the exclusive use of a particular Unit or Units as shown on the Condominium Instruments. Such Limited Common Elements include, but are not limited to, the following:

(a) To each Unit in the Condominium, the deck or porch designated for the exclusive use of a particular Unit as shown in the Condominium Instruments;

(b) To each Unit in the Condominium, the assigned parking spaces as shown on the Parking Plan sheet of the Condominium Instruments; and

(c) Any driveway, walkway, steps, stairs, and elevators which provide a means of ingress and egress to and from any Unit shall be a Limited Common Element assigned to the Unit having direct access thereto; provided, however, that any portion of the same which provides a means of access to and from more than one Unit shall be a Limited Common Element assigned to each of the Units to which the same provides a means of access in an undivided interest proportionate to the number of such Units so served.

(d) All portions of the Common Elements on which there is located any portion of the heating and air conditioning system exclusively serving a particular Unit shall be a Limited Common Element assigned to the Unit so served; provided, however, that any portion of the same which provides service to more than one Unit shall be a Limited Common Element assigned to each of the Units served in an undivided interest proportionate to the number of such Units so served.

(e) Any gas, electric, or other utility meter which serves only one Unit is assigned as a Limited Common Element to the Unit so served.

(f) That portion of the water and sewer system which exclusively serves a particular Unit shall be a Limited Common Element assigned to the Unit so served; provided, however, that any portion of the same which provides service to more than

one Unit shall be a Limited Common Element assigned to each of the Units served in an undivided interest proportionate to the number of such Units so served.

(g) All portions of the Common Elements on which there is located any portion of the electrical and communications systems, cables, wires, and devices exclusively serving a particular Unit shall be a Limited Common Element

assigned to the Unit so served; provided, however, that any portion of the same which provides service to more than one Unit shall be a Limited Common Element assigned to each of the Units served in an undivided interest proportionate to the number of such Units so served.

6.02 Other Limited Common Elements. Any shutter, awning, window box, doorstep and any other apparatus described in the Official Code of Georgia Annotated Section 44-3-75(a) (5) designed to serve a single Unit shall be deemed to be a Limited Common Element appertaining to that Unit exclusively.

ARTICLE 7 COMMON ELEMENTS

7.01 Each Unit in the Condominium shall be allocated an undivided one-fifteenth (1/15th) interest in the Common Elements.

7.02 Common Elements. The term "Common Elements", as used herein, shall mean and comprise all of the real property and improvements of the Condominium, except the Units, and include without limitation:

(a) Easements through Units for conduits, pipes, ducts, vents, plumbing, wiring, and other facilities, equipment, and fixtures for the furnishing of utility services, communications, heating and cooling, and ventilation to the Units and Common Elements;

(b) Easements of support in every portion of a Unit which contributes to the support of other Units and in support of the Common Elements;

(c) Installations for the furnishing of utility services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing the installations;

(d) The property and installations in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements;

(e) Fixtures owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium;

(f) All parking areas not assigned as Limited Common Elements and the road and drives within the Condominium Property;

(g) Such driveways, stairways and landings and other improvements owned or held for the common use, benefit and enjoyment of all the owners of Units in the Condominium, their families, guests, invitees, and tenants, and not otherwise designated as Limited Common Elements;

(h) Non-exclusive easements for ingress and egress and utilities serving the Condominium Property; and

(i) The sump junction box and uniscreen oil and grit separator

located on the Common Elements and associated with the drainage structures located on the Common Elements, which sump junction box and uniscreen oil and grit separator shall be maintained and cleaned in accordance with the manufacturer's recommendations.

ARTICLE 8

ASSOCIATION MEMBERSHIP AND ALLOCATION OF VOTES IN THE ASSOCIATION

8.01 Association Membership. All Unit Owners, by virtue of their ownership of a fee simple or undivided fee simple interest in any Unit in the Condominium, excluding Persons holding such interest under a Mortgage, are members of Riverside on Edelweiss Condominium Association, Inc., and, except as otherwise provided herein, or in the Bylaws, shall be entitled to vote matters upon which members of the Association are entitled to vote pursuant to the Declaration and in accordance with the Bylaws. Each Unit in the Condominium shall be allocated an equal vote in the Association.

8.02 Method of Voting. The persons entitled to exercise such votes at the meetings of the Association, the method by which such votes may be exercised, and the rights and obligations generally of members of the Association with regard to voting shall be in accordance with the Official Code of Georgia Annotated Section 44-3-79 and the By-Laws of the Association.

ARTICLE 9

ALLOCATION OF LIABILITIES, COMMON EXPENSES AND UTILITY FEES

9.01 Liability for Assessments.

(a) The Owner of each Unit shall, by acceptance of a deed from the Declarant or any direct or remote successor-in-interest to Declarant in any Unit, be personally liable for and shall pay to the Association:

(i) Any assessment with respect to all expenditures made or incurred by or on behalf of the Association in the operation, management and maintenance of the Property, including but not limited to: fees for management and supervision; printing, mailing, office equipment, all legal and accounting fees as required, secretarial and other expenses related to the conduct of the affairs of the Association and the Board of Directors; insurance; all utility charges in connection with the Common Elements, including gas, electric, water, sewerage, cable and telephone charges; all expenses in connection with the maintenance and repair of all Common Elements; security; and water, sewer, sanitary, gas and electric services and other similar charges for all Units;

(ii) Any assessment, payable monthly or as otherwise billed, for utility fees chargeable to each Unit for the providing of electricity, gas, and such other utility service as may from time to time be provided to or for the Unit;

(iii) Pursuant to the Official Code of Georgia Annotated Section 44-3-80(c), and in conjunction with the By-Laws of the Association, assessments may be made more often than annually, may be made for the purpose of defraying, in whole or in part, utilities, operating expenses, the cost of any construction or reconstruction, or unexpected repair or replacement of capital improvements in respect to the Common Elements;

(iv) Fines as provided herein; and

(v) Reasonable charges made to any Owner or Unit for materials

furnished or services rendered by the Association at the Owner's request or on behalf of the Owner or Unit.

(b) Except as otherwise provided in this Declaration, each Unit in the Condominium shall be allocated an equal liability for common expenses.

9.02 Special Assessments.

(a) The Board of Directors shall have the power to make special assessments pursuant to this Section and to Section 44-3-80(b) of the Act, as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section.

(b) Any Common Expenses benefiting less than all of the Units or significantly disproportionately benefiting all Units may be specially assessed equitably among all of the Units which are benefited according to the benefit received.

(c) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the licensees or invitees of any such Unit or Units may be specially assessed against such Unit or Units, the conduct of any Occupant, licensee, or invitee of which occasioned any such Common Expenses.

9.03 Equitable Assessment for Limited Common Area Expenses. Any Common Expenses which:

(a) Are incurred through or occasioned by the use or enjoyment of any part of the Common Elements which benefit or are intended to benefit less than all the Units, shall not be assessed against all the Units pursuant to this Declaration, but shall be specifically assessed equitably among those Units which are so benefited or intended to be benefited; and

(b) Are incurred through or occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the licensees or invitees of any such Unit or Units shall be especially assessed against the Unit or Units, the conduct of any Occupant, licensee or invitee of which occasioned any such Common Expenses.

9.04 Assessment for Exclusive Benefit of Particular Units. Any Common Expenses which relate to Limited Common Elements assigned to any Unit or Units and reserved for the exclusive use of those entitled to the use of such Unit or Units shall be assessed against such Unit or Units only.

9.05 Delinquent Assessments.

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

(b) If any monthly installment of annual assessments or any part thereof is not paid in full by the tenth (10th) day of the month or if any other charge is not paid within ten (10) days of the due date, a late charge equal to the greater of ten (\$10.00) dollars or ten percent (10%) of the amount not paid,

or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner and interest at the rate of ten (10%) percent per annum or such higher rate as may be permitted by the Act shall accrue on each assessment and any late charge from the due date of the assessment or part thereof.

(c) If partial payment of assessments and related charges is made, the amount received may be applied first to costs and attorney's fees, then to late charges, then to interest, then to delinquent assessments, and then to current assessments.

(d) If assessments, fines or other charges or any part thereof due from an Owner remain delinquent and unpaid for a period greater than fifteen (15) days from the date due, a notice of delinquency may be given to that Owner stating that if the assessment, fine or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board of Directors may accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment and of any special assessment. If an Owner fails to pay all assessments and related charges currently due within ten (10) days of the date of the notice of delinquency, the Board of Directors may then accelerate and declare immediately due all installments of the annual assessment and of any special assessment, without any further notice being given to the delinquent Owner. Upon acceleration that Owner shall thereby lose the privilege of paying the annual assessment in monthly installments for that fiscal year.

(e) If assessments and other charges or any part thereof remain unpaid for more than thirty (30) days after the assessment payments first become delinquent, the Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, the Act and Georgia law and suspend the Owner's and/or Occupant's right, to vote and the right to use the Common Elements; provided, however, the Board may not limit ingress or egress. Enforcement under this subsection is not dependent upon or related to other restrictions and/or other actions.

(f) If any assessment or other charge is delinquent for thirty (30) days or more, in addition to all other rights provided in the Act and herein, the Association shall have the right upon ten (10) days written notice, and in compliance with any requirements set forth in the Act, to suspend any utility or service, the costs of which are an Association Common Expense, including, but not limited to, water, electricity, heat, air conditioning, and cable television to that Unit until such time as the delinquent assessments and all costs permitted under this Section, including reasonable attorney's fees, are paid in full. Any costs incurred by the Association in discontinuing and/or reconnecting any utility service, including reasonable attorney's fees, shall be an assessment against the Unit.

(g) Notwithstanding the above, the Board may suspend any utility or service, including cable television, paid for as a Common Expense only after:

(i) A final judgment or judgments in excess of a total of \$750.00, or such other amount as required by the Act, are obtained in favor of the Association from a court of competent jurisdiction;

(ii) The Association provides the notice required to be provided by the institutional provider of such service prior to suspension of such service; and

(iii) the Association complies with any other requirements of O.C.G.A.

Section 44-3-76. The utility services shall not be required to be restored until all judgments are paid in full, at which time the Association shall direct the utility provider to restore the service. All Common Expenses for termination of any services pursuant to this Section shall be an assessment and a lien against the Unit.

9.06 Computation of Operating Budget and Assessment.

(a) It shall be the duty of the Board at least twenty-one (21) days prior to the beginning of the Association's fiscal year to prepare a budget covering the estimated costs of operating the Condominium during the coming year. The Board shall cause the budget and notice of the assessments to be levied against each Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the Association's annual meeting. The budget and the assessment shall become effective unless disapproved at a duly called and constituted annual meeting of the Association by a vote of a Majority of the total Association vote; provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at this meeting.

(b) Notwithstanding the foregoing, in the event that the Owners disapprove the proposed budget or the Board fails for any reason to so 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. In such case, the Board may propose a new budget at any time during the year at a special meeting of the Association. The proposed budget and assessment shall be delivered to the Owners at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings.

(c) Enforcement under this Section is not dependent upon or related to other restrictions and/or other actions.

9.07 Capital Budget and Contribution.

(a) The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within the budget and assessment as provided in Section 9.06. A copy of the capital budget shall be distributed to each Owner in the same manner as the operating budget.

(b) Notwithstanding any other provisions of this Declaration, during the time the Declarant appoints the directors and officers of the Association, Declarant:

(i) May collect a non-refundable contribution to the capital fund of the Association from the initial purchaser of each Unit in the amount of determined by Declarant, or the sum of \$250.00, which ever is less; and

(ii) Shall not be required to prepare a capital budget, set any other capital contribution, or otherwise collect amounts for capital reserves. Any capital contribution collected by the Declarant shall not be collected against a Mortgagee which takes title to a Unit pursuant to foreclosure.

9.08 Surplus Funds and Common Profits. Pursuant to Section 44-3-108 of the Act, Common Profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such Common Profits to the payment of Common Expenses shall, at the option of the Board of Directors, either be distributed to the Owners or credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Unit or added to the Association's reserve account.

9.09 Lien Rights of Association.

(a) All sums lawfully assessed by the Association against any Unit shall constitute a lien in favor of the Association on the Unit prior and superior to all other liens whatsoever except:

(i) Liens for ad valorem taxes on the Unit;

(ii) The lien of any first priority Mortgage covering the Unit and the lien of any Mortgage recorded prior to the recording of the Declaration; and

(iii) The lien of any secondary purchase money Mortgage covering the Unit, provided that neither the grantee nor any successor grantee on the Mortgage is the seller of the Unit.

(b) Pursuant to the provisions of the Official Code of Georgia Annotated Section 44-3-109(b), the Board of Directors shall have the authority to establish general rules applicable to all Units providing that the lien for assessments shall include any one or more of the following:

(i) a late or delinquency charge (not in excess of ten dollars (\$10.00) or ten percent (10%) of the amount of each assessment or installment thereof not paid when due, whichever is greater);

(ii) interest on each assessment or installment thereof, and any delinquency or late charge appertaining thereto, from the date the same was first due and payable, at a rate not in excess of ten percent (10%) per annum;

(iii) the costs of collection, including court costs, the expenses of sale, any expenses required for the protection and preservation of the Unit, and reasonable attorney's fees actually incurred; and

(iv) the fair rental value of the Condominium Unit from the time of the institution of suit until the sale of the Condominium Unit at foreclosure (or until the judgment rendered in such suit is otherwise satisfied).

ARTICLE 10 ASSOCIATION

10.01 Creation. The Declarant has caused the Riverside on Edelweiss Condominium Association, Inc., to be duly incorporated as a Georgia nonprofit

membership corporation.

10.02 Powers Generally. The limitations and restrictions on the powers of the Association and on the Board of Directors of the Association are set out in the By-Laws of the Association.

10.03 Enforcement. Pursuant to the provisions of the Official Code of Georgia Annotated Section 44-3-76, the Association shall be empowered, in order to enforce compliance with the lawful provisions of the Condominium Instruments, including any rules or regulations contained in or promulgated in accordance with the By-Laws of the Association, to impose and assess fines and to suspend temporarily voting rights and the right of use of certain of the Common Elements. In no event shall the fine imposed for any single infraction of the provisions of the Condominium Instruments exceed an amount which is equal to one fourth (1/4th) of the amount of the annual assessment against an individual unit for the year in which such infraction shall take place. If the voting right of a Unit Owner has been suspended, then that Unit Owner's vote shall not count for purposes of establishing a quorum or taking any action which requires a vote of the Owners under the Act or the Condominium Instruments.

10.04 Restrictions on Powers. The Association shall have, except to the extent restricted herein, all those powers permitted by the provisions of the Official Code of Georgia Annotated Section 44-3-106, and except to the extent that it may not without the written consent of two-thirds (2/3rds) of the Unit Owners (excluding Declarant) sell or transfer the Common Elements (excluding the grant of easements for public utilities or for any other public purposes consistent with the intended use of the Common Elements by the Unit Owners).

ARTICLE 11 EASEMENTS

11.01 Use and Enjoyment. Each Unit Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from his or her Unit over those portions of the Condominium designated for such purpose), and such easement shall be appurtenant to and shall pass with the title to such Unit, subject to:

(a) The rights of the Unit Owners to the exclusive use of the Limited Common Elements assigned to their respective Units;

(b) To the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein;

(c) The right of the Association to have access to the Units and Limited Common Elements assigned to a Unit to discharge its rights and obligations under the Condominium Instruments, including without limitation, the maintenance responsibility of the Association; and

(d) The provisions of Article 13 of this Declaration.

11.02 Support. Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit.

11.03 Encroachments. The Units and Common Elements shall be subject to easements of encroachment as set forth in the Act.

11.04 Utilities. To the extent that any utility line, pipe, wire, or conduit serving any Unit, Units or the Common Elements shall lie wholly or partially within the boundaries of another Unit or the Common Elements, such other Unit, Units, or the Common Elements shall be burdened with an easement for the use, maintenance, repair and replacement of such utility line, pipe, wire or conduit, such easement to be in favor of the Unit, Units, or Common Elements served by the same and the Association. It shall be the obligation of the benefited Owner to maintain, replace and repair any pipe, line, conduit, duct or wire owned by such Owner, even if such pipe, line, conduit, duct or wire is located in the Unit of another Owner. In such circumstance, the benefited Owner shall repair all incidental damage to any Unit resulting from performance of any such work. All Unit Owners hereby covenant and agree that since levels of finish can have varying degrees, such repairs will be complete only to the extent of being "paint ready". Components that may require repair or replacement, such as tile and trim, will be reinstalled only to the extent of readily available materials or similar materials (trim and such will also be finished to "paint-ready"). Due to the uncontrollability of quality of repair, items such as faux paint treatment, wallpaper, ceiling/wall appliqué, and any other similar types of finishes will not be the responsibility of the benefited Owner.

11.05 Pest Control. The Association may, but shall not be obligated to, dispense chemicals for the extermination of insects and pests within the Units and Common Elements. In the event the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives, and agents shall have an easement to enter Units for the purpose of dispensing chemicals for the exterminating of insects and pests within the Units and Common Elements. Unit Owners shall either provide keys to the Unit or Units for the purpose of such entry or have someone available at such times as are designated by the Board of Directors to allow entry into the Unit or Units for this purpose. The Association shall not be liable for any illness, damage, or injury caused by the dispensing of these chemicals for this purpose.

11.06 Declarant Easement Rights. For so long as Declarant owns any Unit or Units primarily for the purpose of sale, Declarant and its duly authorized contractors, representatives, agents, and employees shall have:

(a) An easement for the maintenance of signs, a sales office, a business office, promotional facilities and model Units on the Condominium, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development or state of the Unit; and

(b) A transferable easement on, over, through, under, and across the Common Elements and Limited Common Elements for the purpose of making improvements on the Condominium or any portion thereof, for the purpose of installing, replacing, repairing and maintaining all utilities serving the Condominium, and for the purpose of doing all things reasonably necessary and proper in connection therewith.

11.07 Encroachments. If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any such encroachment shall occur hereafter as a result of:

- (a) Settling of a Unit or Units;
- (b) Repair, alteration or reconstruction of the Common Elements made by or with the consent of the Association;
- (c) Repair or reconstruction of a Unit or Units following damage by fire or other casualty; or
- (d) Condemnation or eminent domain proceedings;

then in each and every such event or events a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Property remains subject to the Act.

11.08 Right of Access. The Association shall have the irrevocable right, to be exercised by the Board of Directors, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit.

11.09 Strict Compliance. The Owners of the Units shall be entitled to the exercise of all of the easement rights granted in this Article and the Condominium Instruments, but shall be subject to all the obligations provided for Condominium Instruments, and such Owners shall comply strictly with the provisions of the Condominium Instruments in their exercise of such easement rights, including without limitation any restrictions, rules or regulations appertaining thereto contained in or promulgated in accordance with this Declaration and the Bylaws of the Association.

11.10. The provisions of this Article are to be deemed cumulative to such easements and access rights elsewhere set out in this Declaration.

ARTICLE 12 ARCHITECTURAL CONTROLS

12.01 During Declarant Control. During the time in which the Declarant has the right to appoint directors and officers of the Association as provided in this Declaration, there shall be no Architectural Control Committee and all encroachments onto the Common Elements or Limited Common Elements, exterior changes, alteration or construction (including painting and landscaping), and any erection, placement or posting of any object, sign, clothesline, light, flag, or thing on the exterior or roof of the building, in any windows (except window treatments as provided herein), or on any part of the Limited Common Elements or any part of the Common Elements, must receive the prior written approval of the Declarant. Granting or withholding such approval shall be within the sole discretion of the Declarant.

12.02 After Declarant Control.

(a) After such time as the Declarant's right to appoint officers and directors of the Association as provided in this Declaration has expired, an Architectural Control Committee (the "ACC") shall be appointed by the Board of Directors and except for the Declarant, no Owner, Occupant, or any other person may make any encroachment onto the Common Elements or Limited Common Elements, or make any exterior change, alteration, or construction (including painting and

landscaping), or erect, place or post any object, sign, clothesline, playground equipment, light, fountains, flags, or thing on the exterior or roof of the buildings, in any windows (except window treatments as provided herein and reasonable seasonable decorative lights displayed between Thanksgiving and December 31st) on any Unit or on any part of the Limited Common Elements, or on any part of the Common Elements, without first obtaining the written approval of the ACC. The standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, Units and structures, and the location in relation to surrounding structures and topography. Notwithstanding the above, Declarant shall not be required to obtain any approvals under this Section.

(b) No Owner or Occupant of any Unit may make any alteration within a Unit which involves connecting to the Common Elements or Limited Common Elements pipes, lines, conduits and/or other apparatus for access to common utilities without prior written ACC approval (including, but not limited to installation of washers and dryers). No Owner or Occupant shall make any interior modifications to any structural or load bearing portions of a Unit. Interior modifications may only be made in accordance with any construction guidelines as may be adopted by the ACC. All building code requirements must be complied with and necessary permits and approvals secured for any modifications.

12.03 Applications.

(a) Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ACC may reasonably require. The ACC shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction which is not in conformance with approved plans. The Board of ACC may publish written architectural standards for exterior Unit and Common Element and Limited Common Element alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing Common Elements, Limited Common Elements and Units and the location in relation to surrounding structures and topography of the vicinity.

(b) The Board, subject to this Section 12.03, may allow such encroachments on the Common Elements and the Limited Common Elements as it deems acceptable.

(c) In the event that the ACC fails to approve or to disapprove such application within forty-five (45) days after the application and all information as the ACC may reasonably require has been submitted, its approval will not be required and this Section 12.03 will be deemed complied with; provided, however, even if the requirements of this Section are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the rules and regulations.

12.04 Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration. In the discretion of the Board or ACC, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all

successors-in-interest.

12.05 Limitation of Liability. Review and approval of any application pursuant to this Section is made on the basis of aesthetic considerations only, and neither the Declarant, the Association, the Board of Directors, nor the ACC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, the ACC, nor member of any of the foregoing, shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.

12.06 No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and ACC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. The approval of either the Board of Directors or the ACC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors or the ACC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

12.07 Enforcement.

(a) Any construction, alteration, or other work done in violation of this Section shall be deemed to be nonconforming. Upon written request from the Board of Directors or the ACC, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the Unit, Limited Common Elements and Common Elements to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or its designees shall have the right to enter the Unit, remove the violation and restore the Unit, Limited Common Elements and Common Elements to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof, including reasonable attorney's fees, may be assessed against the benefited Unit and collected as an assessment pursuant to this Declaration.

(b) In addition to the foregoing, the Board of Directors shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Section and its decisions. Furthermore, the Board shall have the authority to record in the land records of the Office of the Clerk of Superior Court of White County, Georgia, notices of violation of the provisions of this Section.

(c) If any Owner or Occupant makes any exterior change, alteration, or construction (including landscaping) upon the Common Elements or Limited Common Elements in violation of this Section, he or she does so at his or her sole risk and expense. The Board may require that the change, alteration or construction remain on the Common Elements or Limited Common Elements without reimbursement to the Owner or Occupant for any expense he or she may have incurred in making the change, alteration or construction.

12.08 Commencement of Construction. All improvements approved by the ACC hereunder must be commenced within one (1) year from the date of approval. If not

commenced within one (1) year from the date of such approval, then such approval shall be deemed revoked by the ACC, unless the ACC gives a written extension for commencing the work. All work approved by the ACC hereunder shall be completed within ninety (90) days of commencement, unless otherwise agreed to in writing by the ACC.

ARTICLE 13
USE RESTRICTIONS

13.00 During the period of Declarant control as defined in the Condominium Instruments, the Declarant shall be authorized and empowered, but not required, to act as the duly constituted representative of the Association and of the Board of Directors with regard to any provision of this Article. References to the powers which may be exercised by the Association in this Declaration shall be deemed to be exercisable by the Board of Directors acting in accordance with this Declaration and the Bylaws.

13.01 Use Restrictions.

(a) The Units in the Condominium shall be and are restricted exclusively to residential use and no trade or business of any kind may be conducted in or from a Unit or any part of the Condominium either as a primary or accessory use of the Unit or any portion of the Condominium; provided, however, an Owner or Occupant may conduct such business activities within the Unit so long as:

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

(ii) The business activity does not involve visitation of the Unit by employees, clients, customers, suppliers, or other business invitees in greater volume than would normally be expected for guest visitation to a residential Unit without business activity (other than by deliveries by couriers, express mail carriers, parcel delivery services, and other such similar delivery services);

(iii) The business activity conforms to all zoning requirements for the Condominium;

(iv) The business does not otherwise violate the provisions of the Declaration or Bylaws;

(v) The business activity does not increase traffic in the Condominium in excess of what would normally be expected for residential Units in the Condominium without business activity (other than by deliveries by couriers, express mail carriers, parcel delivery services, and other such similar delivery services);

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

(vii) The business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined in the Board's discretion;

(viii) The business activity does not result in a materially greater use of Common Element facilities or Association services; and

(ix) The business activity does not include the storage or placement of any tools of a particular trade or any trade goods in any area which can be viewed from the Common Elements, Limited Common Elements, or any other Unit.

(b) The term "business" and "trade", as used herein, shall have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the use of a Unit by an on-site sale or management agent operating on behalf of Declarant shall not be considered a trade or business within the meaning of this Section.

13.02 Signs. Except as may be required by legal proceedings, and except for signs which may be erected by Declarant relating to the development and/or sale of Units, no signs or other devices for communicating visual content of any kind shall be erected, placed, or permitted to remain on the Condominium without the prior written consent of the Association. The restriction herein stated shall include the prohibition of the placement of any such signs or devices within any Unit from which the same shall be visible from the outside and the prohibition of the display of any sign or device from any vehicle within the Condominium. The Association shall have the right to erect reasonable and appropriate signs on behalf of the Association. The Association may impose a fine of One-Hundred and Fifty and No/100 Dollars (\$150.00) per day upon the Owner for display of any such sign or device in violation of this provision which is not removed within twenty-four hours after written demand is delivered to the Owner. Any and all such fines may be collected by the Association as an assessment.

13.03 Vehicles; Parking. Except as otherwise provided in this Article, any vehicle belonging to any Owner or guest or invitee of such Owner brought onto the Condominium shall be parked only in the parking spaces designated for the Unit of such Owner in the Parking Plan element of the Condominium Instruments, or in other Association-designated areas, if any. No other parking outside said designated parking spaces, other than that approved by the Association, shall be permitted within the Condominium. All parking shall be subject to such rules and regulations governing same as may be adopted by the Association. The term "vehicle," as used herein, shall include, without limitation, any motor home, boat, trailer, motorcycle, minibike, scooter, go-cart, golf cart, truck, camper, bus, van, automobile, personal watercraft, or similar vehicle or device. The term "parking space" shall refer to the parking spaces located within the Condominium and identified on the Parking Plan element of the Condominium Instruments. No vehicle may be left upon any portion of the Condominium for a period longer than five (5) days if it is not licensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle may be removed from the Condominium by the Association. Any vehicle brought onto the Condominium by an Owner or Occupant or invitee of such Owner or Occupant shall be parked only in the parking space or spaces designated for the use of such Owner, unless otherwise permitted by the Association. Any such vehicle which is not parked in such designated parking space or in such Association permitted area may be removed from the Condominium by the Association.

If any vehicle is parked on any portion of the Condominium in violation of this Article or in violation of the Association's rules and regulations, the Association may cause to be placed a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the offending vehicle may be towed. The notice shall include the name and telephone number of the person or entity that will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If such violation is not cured within said twenty-four (24) hours after such notice is placed on the offending vehicle, the Association may have the offending vehicle towed in accordance with the notice, without further notice to the Owner or user of such vehicle. If any vehicle is parked in a fire lane, is blocking another vehicle, is obstructing the flow of traffic, is parked on any landscaped area, or otherwise creates a hazardous condition, no notice shall be required and the Association may have the vehicle towed immediately. If a vehicle is towed in accordance with this Section, neither the Association, nor any officer or agent of the Association, shall be liable to any person for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Association may elect to impose fines or use other available sanctions, rather than exercise its authority to tow and any such fine may be collected as an assessment.

13.04 Prohibited Vehicles.

(a) Disabled and/or stored vehicles are prohibited from being parked on the Condominium. For purposes hereof, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Condominium for fourteen (14) days within a calendar year without prior written Association permission.

(b) Commercial vehicles (other than those of commercial delivery services), trucks with a load capacity of one (1) ton or more, and recreational vehicles which are too large to be parked in the Owner's designated parking space or spaces, are prohibited from being parked on the Condominium, except in areas designated by the Association as parking areas for such types of vehicles. Notwithstanding the above, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on the Condominium during normal business hours for the purpose of serving any Unit or the Condominium, but no such type of vehicle shall remain parked on the Condominium overnight for any purpose without written Association permission.

13.05 Traffic Regulations. All vehicular traffic on the Condominium shall be subject to the provisions of the State and local laws concerning operation of such vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including without limitation reasonable safety measures and speed limits. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof which fines may be collected as an assessment. In the event of a conflict between such provisions of State and local laws and such rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle within the Condominium. All vehicles of any kind and nature which are operated in the Condominium shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants and in accordance with the provisions of Condominium Instruments and the rules and regulations of the Declarant and the Association.

13.06 Leasing. Units may be leased or rented for residential purposes. All leases and rental agreements shall provide that the tenant and all Occupants of the leased Unit and their respective invitees are bound by and obligated to comply with the Condominium Instruments, including without limitation any rules and regulations of the Association or the Declarant; provided however, if a tenant or Occupant shall violate any provision of the Condominium Instruments any rules and regulations of the Association or the Declarant the Association may impose fines for such violations enforced against the Owner of the leased Unit and such fines may be collected as an assessment against said Owner as provided in Section 10.03 hereof.

13.07 Animals and Pets. No animal, livestock, bird, fowl, or other non-human living creature of any kind may be raised, bred, kept or permitted on or in any Unit or any other part of the Condominium, with the exception of dogs, cats or other usual and common household pets in such reasonable numbers as determined by the Association. No permitted pets shall be kept, bred or maintained for any commercial purpose. No exterior pens for such permitted pets shall be erected or maintained on the Condominium outside of the interior of a Unit unless approved in accordance with the provisions of Article 12 hereof. Dogs shall at all times when outside a Unit be kept on a leash or otherwise restrained and under control. All pets shall be registered, licensed and inoculated if and as required by law. Animal control authorities shall be permitted to enter the Condominium to patrol and remove unlicensed pets. Dog waste deposited in the Condominium must be immediately removed by the owner of the dog or the person responsible for the dog. The Association may adopt reasonable rules and regulations designed to minimize damage and disturbance to other Owners and Occupants, including regulations requiring damage deposits, waste removal, leash controls, noise controls, and occupancy limits based on size and facilities of the Unit. The Association may require the removal of any animal, livestock, bird, fowl, or other non-human living creature of any kind that presents an actual threat to the health or safety of any of the Owners of a Unit within the Condominium, any Occupant of any Unit in the Condominium, or any of their respective family members or invitees, and require abatement of any nuisance or unreasonable source of annoyance.

13.08 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on a Unit or the Common Elements. No property within the Condominium shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No plants, animals, device, or thing of any sort shall be maintained in the Condominium whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Condominium by other Owners and Occupants. Without limiting the generality of the foregoing, no exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively for security purposes, screaming, shouting, excessively loud talking, fighting, raucous behavior, insobriety, playing loud music or television, use of any alarm, equipment, or device, mechanical or otherwise which creates or produces excessively loud sounds or any vibrations, or any conduct which creates any noxious or offensive odors outside a Unit or on the Condominium shall be permitted, located, used, or placed thereon. The inconvenience complained of shall not be fanciful, or such as would affect only one of fastidious taste, but it shall be such as would affect an ordinary, reasonable person as determined in a

particular instance by the Association.

13.09 Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken in any part of the Condominium.

13.10 Antennae. No antenna of any kind may be erected or placed anywhere on the Condominium unless first approved in writing by the ACC as required under Article 12.

13.11 Drainage. Catch basins, retention ponds, detention ponds, drainage easement areas and related drainage facilities are for the purpose of controlling the natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner may obstruct or alter the drainage flows after location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains without approval in accordance with the provisions of Article 12 hereof. However, Declarant expressly reserves the right, power and authority to alter all such areas and facilities located on the Common Elements.

13.12 Garbage Cans, Firewood, Etc. All garbage cans, recyclable items, firewood and other similar materials and items shall be stored within the Unit, unless the Association has designated such a temporary collection area or areas located on the Common Elements or Limited Common Elements. All rubbish, trash, garbage and recyclable items shall be regularly removed from the Condominium and shall not be allowed to accumulate. The Association may contract with a private trash collection company to pick up all usual and customary household rubbish, trash, garbage and recyclable items on a regular basis; however, if the Association does not so contract, then each Unit Owner shall be responsible for the proper, timely and lawful removal of all such rubbish, trash, garbage and recyclable items from the Condominium. Pickup of such rubbish, trash, garbage and recyclable items shall also be subject to such reasonable rules and regulations as the Association may adopt.

13.13 Subdivision of Unit. No Unit shall be subdivided into a smaller Unit or Units.

13.14 Firearms and Fireworks. The discharge of firearms or fireworks on the Condominium is prohibited. The possession of firearms by adults on the Condominium is permitted unless otherwise prohibited by law. The term "firearms" includes without limitation B-B guns, pellet guns, paint guns, air guns, bows, crossbows, slings, and other firearms of all types, regardless of size. The term "fireworks" shall include those items as listed in O.C.G.A. Section 25-10-1, as amended.

13.15 Rights of Declarant During Sale Period. Notwithstanding any provisions contained in this Article to the contrary, during the period of the sale of Condominium Units it shall be expressly permissible for Declarant, its contractors, agents, employees, assigns and representatives, to maintain and carry on, upon such portion of the Property as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the sale of the Condominium Units, including, without limitation, business offices, signs, model Units and sales offices. The right to maintain and carry on such facilities and activities shall include specifically the right to use the parking facilities on the Condominium

for such purposes and to use the Units owned by Declarant as model Units and as offices for the sale of the Condominium Units and related activities.

13.16 Heating of Units in Colder Months. In order to prevent breakage of water pipes during colder months of the year which may result in damage to any portion of the Condominium, increased Common Expenses, increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five (55) degrees Fahrenheit (except during power failures or periods when heating equipment is broken), whenever the temperature is forecasted to be or does reach thirty-two (32) degrees Fahrenheit or below. Owners and Occupants of Units shall take all steps possible on a timely basis to keep heating equipment, including but not limited to the thermostat, in good working order and repair. The Association may fine any Owner or Occupant in violation of this Section, in addition to exercising any other remedies of the Association, and may collect such fines as an assessment.

13.17 Fences. No fence or fencing type barrier of any kind shall be placed, erected, allowed or maintained upon any part of the Condominium by an Owner. The Association may erect any type of fence on the Common Elements or elsewhere within the Condominium as it may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for the health and safety of Owners and Occupants.

13.18 Utility Lines. Except as may be permitted under and pursuant to Article 12 hereof, no overhead utility lines or communications lines shall be installed within the Condominium.

13.19 Air-Conditioning Units. No window air conditioning units may be installed within the Condominium.

13.20 Lighting. Exterior lighting on any Unit visible from the street shall not be permitted, except for:

- (a) Approved lighting as originally installed on a Unit by the Declarant;
- (b) Seasonal decorative lights from Thanksgiving to the following New Year's Day;
- (c) Front house illumination by the Declarant of model Units; and
- (d) Other lighting approved under and pursuant to Article 12 hereof.

13.21 Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless as an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Declarant or the Board of Directors, as the case may be, in accordance with the provisions of Article 12 hereof.

13.22 Artificial Vegetation, Gardens, Play Equipment, Exterior Sculpture, Water Features and Similar Items. No artificial vegetation shall be permitted on the exterior of Unit or on the Limited Common Elements exclusively used by such Unit. No vegetable garden, hammock, statuary, play equipment (including, without limitation, basketball goals), exterior sculpture, fountains, or water features

may be erected on the Condominium without the prior written approval in accordance with the provisions of Article 12 hereof and compliance with written guidelines established under Article 12 hereof, as applicable.

13.23 Flags. No flags may be erected on any Unit without prior written approval in accordance with the provisions of Article 12 hereof.

13.24 Mailboxes. All mailboxes serving Units shall be approved in accordance with the provisions of Article 12 hereof. Identical replacement mailboxes may be installed without further approval; but no modification to or change in mailboxes may be made unless approved in accordance with the provisions of Article 12 hereof.

13.25 Clotheslines. No exterior clotheslines of any type shall be permitted in the Condominium.

13.26 Window Treatments. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades, or any other purpose. The side of all window treatments which can be seen at any time from the outside of any Unit must be white or off-white. For the purposes of this provision a glass door shall be deemed a window.

13.27 Insurance. No use shall be made of any Unit which will increase the rate of insurance upon the Condominium Property without the Association's consent. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in cancellation of insurance on any Unit or the Common Elements, or which will be in violation of any law. No waste shall be committed on the Common Elements.

13.28 Guests. Each Owner of a Unit shall be responsible for ensuring that the Owner's family, guests, invitees, tenants, and Occupants comply with all provisions of the Condominium Instruments and the rules and regulations of the Declarant and of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, invitees, tenants, or Occupants as a result of such person's violation of the Condominium Instruments or the rules and regulations of the Declarant or of the Association, the Association may take action against the Owner as if the Owner had committed the violation in conjunction with the Owner's family, guests, invitees, tenants, or Occupants.

13.29 Boundaries. Boundaries between adjoining Units shall not be relocated without the prior written consent of the Declarant and the Association and then only in accordance with the applicable provisions of O.C.G.A. Section 44-3-91.

13.30 No structure of a temporary character, or trailer, tent, shack, carport, garage, barn or other outbuilding shall be erected by any Owner or Occupant on any portion of the Condominium at any time, either temporarily or permanently, without the prior written approval of the Association.

13.31. Outdoor Activities. Access to the Chattahoochee River from any Unit shall be by the shortest route to the River. Each Unit Owner and such Owner's family, guests, invitees, tenants, and Occupants shall be limited in their otherwise permitted outdoor activities to that portion of the Common Elements lying between the building of which such Unit is part and the Chattahoochee River.

13.32 Additional Restrictions. In addition to the use restrictions set out in this the Condominium Instruments, the Declarant, during Declarant's period of control as defined in this Declaration, and thereafter the Association, may promulgate, modify or amend from time to time reasonable rules and regulations concerning the use of the Condominium Property; provided however, all such rules and regulations and modifications adopted by the Association shall be approved by not less than fifty-one percent (51%) of the members of the Association before the same shall become effective. The Declarant, during Declarant's said period of control, shall have the right to institute such rules and regulations as Declarant may deem necessary in order to manage the Condominium and the uses thereof; provided, however, that such rules and regulations may be overridden by the affirmative vote of the Owners of not less than eighty percent (80%) of the Units. Copies of such rules and regulations and any amendments thereto shall be furnished by the Declarant and thereafter by the Association to all Unit Owners and Occupants of the Condominium upon request.

ARTICLE 14 INSURANCE AND CASUALTY LOSSES

14.01 Insurance Coverage. The Association shall obtain and maintain in full force and effect, at all times, the following insurance coverages:

(a) Insurance covering all of the insurable improvements on the Property (with the exception of improvements and betterments made by the respective Unit Owners or Occupants) and all personal property as may be owned by the Association against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and such other risk as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the Units, including, but not limited to, vandalism and malicious mischief in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation and foundations), as determined annually by the Association;

(b) Comprehensive public liability insurance covering all of the Common Elements and insuring against all damage or liability caused by the acts of the Association, its officers, directors, agents, and employees, all Unit Owners, and other persons entitled to occupy any Unit or any other portion of the Condominium, with liability limits in amounts authorized from time to time by the Association, but in no event less than the amounts required in the Act;

(c) Insurance covering all the insurable improvements on the Property (with the exception of betterment and improvements made by respective Unit Owners or Occupants) and all personal property owned by the Association, against loss or damage by a standard flood insurance policy in an amount equal to the maximum insurance replacement amount thereof annually, as determined by the Association.

(d) Such other types and amounts of insurance as may from time to time be deemed necessary, desirable, or proper, and be authorized by the Association by action of the Board of Directors or in its Bylaws.

14.02 Payment of Insurance Premiums. Premiums for all insurance carried by the Association shall be Common Expenses and shall be paid by the Association.

14.03 Policy Standards

(a) All insurance coverage obtained by the Association shall be

written in the name of the Association as trustee for, and for the use and benefit of, each of the Unit Owners and their Mortgagees as their interest may appear, and their respective percentages of undivided interest in and to the Common Elements. Each such insurance policy shall be issued by an insurer authorized under the laws of the State of Georgia to do business in Georgia and to issue the coverage provided by the policy, and shall provide for the issuance of a certificate of insurance to each Unit Owner and its Mortgagee, if any, which shall specify the proportionate amount of such insurance attributable to the particular Unit Owner's interest in the property.

(b) The Association shall use its best efforts to cause all of such insurance policies to contain:

(i) A waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent, or employee of the Association, the Unit Owners, and their employees, agents, tenants and invitees, and a waiver of any defenses based on co-insurance or on invalidity arising from the acts of the insured;

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

(iii) A provision that the policy cannot be cancelled, invalidated or suspended on account of the conduct of any Unit Owner or any employee, agent, tenant, or invitee of any Unit Owner, or any officer, director, agent or employee of the Association, without a prior demand in writing and delivered to the Association to cure the defect and the allowance of reasonable time thereafter within which the defect may be cured by the Association, any Unit Owner or any mortgagee;

(iv) A provision that any "other insurance" clause in the policy shall exclude from its scope any policies of the individual Unit Owners;

(v) A provision that the coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty days written notice to any and all of the insured thereunder, including Mortgagees; and

(vi) A provision that the coverage will not be prejudiced by any act or neglect of the Owners of the Units when said act or neglect is not within the control of the Association, or any failure of the Association to comply with any warranty or condition regarding any portion of the property over which the Association has no control.

14.04 Adjustment of Losses. Exclusive authority to adjust losses under insurance policies obtained by the Association shall be vested in the Association; provided, however, that no Mortgagee shall be prohibited from participating in the settlement negotiations, if any, related thereto.

14.05 Individual Insurance by Unit Owners. It shall be the individual responsibility of each Unit Owner, at his sole cost and expense, to provide, as he sees fit any insurance coverage not required to be maintained by the Association.

14.06 Handling of Casualty Insurance Proceeds. All insurance policies purchased by and in the name of the Association shall provide that proceeds covered in casualty loss or losses shall be paid to the Association. The

Association shall receive such proceeds as are paid and delivered to it and hold the same in trust for the benefit of the Unit Owners and their Mortgagees as follows:

(a) Proceeds on account of damage to the Common Elements not involving a Unit shall be held to the extent of the undivided interest of each Unit Owner, for each Unit Owner, such interest to be equal to the undivided interest of each Unit Owner in and to the Common Elements.

(b) Proceeds on account of damage to Units (or on account of damage to Common Elements involving a Unit) shall be held for the Owners of the damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Board of Directors.

(c) In the event a mortgagee endorsement has been issued as to any Unit under the policy under which such proceeds are paid, the share of that Unit Owner shall be held in trust for the Unit Owner and the Mortgagee, as their interest may appear. Unless a determination is made not to repair or reconstruct pursuant to Section 14.07(b) hereof, and such proceeds, or such portion thereof as may be required for such purpose, shall be disbursed by the Association as payment of the cost and any expenses of repair or reconstruction, as hereinafter provided. Any proceeds remaining after payment of all cost and expenses of repair or reconstruction shall be Common Profits.

14.07 Damage and Destruction.

(a) Immediately after any damage or destruction by fire or other casualty to all or any portion of the property covered by insurance written in the name of the Association, the Association shall proceed with the filing and adjustment of all claims and losses arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damage or destroyed property. Repair, or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition that existed prior to the fire or other casualty with each Unit and the Common Elements having the same vertical and horizontal boundaries as before the casualty.

(b) Any damage or destruction shall be repaired or reconstructed unless:

(i) The Condominium is terminated pursuant to, subject to and in accordance with the provisions of the Act and this Declaration;

(ii) The damaged or destroyed portion of the property is withdrawn from the Condominium pursuant to, subject to and in accordance with the provisions of the Act; or

(iii) The Unit Owners of the damaged or destroyed Units, if any, and their mortgagees, together with the Unit Owners of other Units to which two-thirds (2/3rds) of the votes in the Association appertain and the Mortgagees, exclusive of the votes appertaining to any damaged or destroyed Units, agree not to repair or reconstruct such damage or destruction, pursuant to, subject to and in accordance with the provisions of the Act.

(c) Any such determination shall be conclusively made, if at all, not more than ninety (90) days after the date of the casualty. Should a determination be made to terminate the Condominium, as herein provided, then the insurance

proceeds paid to the Association and held by it on account of such casualty shall be Common Profits, to be held and disbursed pursuant to, subject to and in accordance with Section 14.06 hereof. Should a determination be made to withdraw from the Condominium the damaged portion of the property or not to repair or reconstruct the damage or destruction, as herein provided, then the insurance proceeds paid to the Association and held by it on account of such casualty shall be disbursed by the Association in accordance with the manner in which such proceeds are held by the Association, pursuant to Section 14.06 hereof. Any remittances with respect to Units as to which mortgagee endorsements have been issued on the policies under which the proceeds were paid shall be payable to the Unit Owner and its Mortgagee jointly, as their interest may appear.

(c) If the damage or destruction for which the insurance proceeds are paid is to be repaid and such proceeds are not sufficient to defray the cost thereof, the Association may levy an additional assessment against all Unit Owners in sufficient amounts to provide funds to pay such excess cost of repair or reconstruction. Further, additional assessments may be made in a like manner and any time during or following the completion of any repair or reconstruction. The proceeds from insurance and assessments, if any, received by the Association hereunder when the damage or destruction is to be repaired or reconstructed shall be disbursed as provided for in this Article 14.

14.08 Non-Liability and Indemnity of Officers and Directors of the Association and the Declarant. The officers and directors of the Association and the Declarant and its officers and members shall not be personally liable to any Unit Owner for any mistake of judgment or for any other act or omissions of any nature whatsoever in administering the Association, except for acts or omission which constitute gross negligence or willful misconduct. The Association shall indemnify and hold harmless each of the officers and directors of the Association and Declarant and its officers and members and their respective legal representatives, successors and assigns, from any liability, cost or expense arising out of any act or omission in administering the Association which is not deemed to be gross negligence or willful misconduct.

14.09 Insurance Deductibles. In the event of an insured loss, any required deductible shall be considered a maintenance expense to be paid by the Person or Persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one Unit or a Unit and the Common Elements, the cost of the deductible may be apportioned equitably by the Board of Directors among the parties suffering loss in proportion to each affected Owner's portion of the total cost of repair. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Unit Owner shall be responsible for paying the deductible pertaining to his or her Unit, if any. If any Owner or Owners fail to pay the deductible when required under this Section, then the Association may pay the deductible and assess the cost to the Owner or Owners pursuant to Section 9.01(d) of this Declaration; provided, however, where the deductible is for insurance required under the Act, no Owner shall be assigned more than one thousand dollars (\$1,000.00), or such higher amount as authorized by the Act, as the cost of the deductible for any one occurrence.

ARTICLE 15 RENTING OF UNITS

15.01 No Unit shall be let, rented or hired out except in conformity with the provisions of the Condominium Instruments.

15.02 Definitions. For the purposes of this Declaration, to "be let, rented or hired out" shall mean an activity by which any Person or persons other than the Owner of a Unit secures the right to occupy such Unit for which right the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.

ARTICLE 16 SALE OF UNITS

16.01 Sale of Units.

(a) A Unit Owner who makes a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of Directors of the Association of such transfer within ten (10) business days after execution and consummation of the transfer or sale documents. The Unit Owner shall furnish to the Board as part of the notice:

(i) The name and address of the grantee; and

(ii) Such other information, as the Board may reasonably require.

(b) This Section shall not be construed to create a right of first refusal in the Association or in any third party.

(c) Within ten (10) business days after receiving title to a Unit, the purchaser of the Unit (the "New Owner") shall give written notice to the Board of Directors of the Association of his or her ownership of the Unit. Upon failure of a New Owner to give the required notice within the ten (10) business day period provided herein; the Board may levy fines against the Unit and the New Owner thereof, and assess the New Owner for all costs incurred by the Association in determining his or her identity.

16.02 Transfer Fee Upon Sale of a Unit. Upon the sale of a Unit the Association shall be entitled to collect from the purchaser of the Unit, at the closing of the Unit, a transfer fee in the amount of \$250.00. Such transfer fee shall be applied to the reserve account of the Association to be used for such purposes and shall benefit all of the Unit Owners in the Condominium, and shall not be due on the initial sale of a Unit by the Declarant.

ARTICLE 17 EMINENT DOMAIN

17.01 If any portion of the Condominium property is taken by eminent domain, the award shall be allocated as provided in the Official Code of Georgia Annotated Section 44-3-97.

ARTICLE 18 AMENDMENT OF CONDOMINIUM INSTRUMENTS

18.01 Amendment.

(a) Except where a higher vote is required for action under any other provision of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding two-thirds (2/3rds) of

the total Association vote and such amendment shall otherwise comply with the provisions of O.C.G.A. Section 44-3-93. As long as Declarant owns any Unit primarily for the purpose of sale, any amendment to this Declaration or the Bylaws shall require the written consent of the Declarant. As long as Declarant has the right to appoint and remove the directors and officers of the Association, any amendment to this Declaration or the Bylaws shall require the written consent of the Declarant. In addition, no amendment to this Declaration shall alter the easement rights contained in this Declaration without the consent of the Person holding such easement rights. Notwithstanding the above, no amendment shall modify, alter or delete any provision of this Declaration that benefits the Declarant or any easement rights of the Declarant without the written consent of the Declarant attached to and recorded with such amendment. Notice of any meeting at which a proposed amendment will be considered shall state the fact of such consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the land records of the Office of the Clerk of Superior Court of White County, Georgia.

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

(c) Notwithstanding the foregoing, Declarant, without the necessity of a vote from the Owners, may amend this Declaration to correct any scrivener's errors, comply with any applicable state, city or federal law, and/or to bring the Condominium into compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

(d) Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

ARTICLE 19 TERMINATION OF THE CONDOMINIUM

19.01 Subject to the provisions of the Official Code of Georgia Annotated, Section 44-3-98 with regard to the manner in which the termination of the Condominium shall be effected and to the consequences thereof, Riverside on Edelweiss, a Condominium, shall be terminated only by the agreement of two-thirds (2/3rds) of the Owners of all the Units and of all Mortgagees of such Units.

ARTICLE 20 MAINTENANCE RESPONSIBILITY

20.01 By the Owner.

(a) Each Owner shall have the obligation to maintain and keep in good repair all portions of his or her Unit, and the Limited Common Elements assigned exclusively to his or her Unit. This maintenance responsibility shall

include, but not be limited to, the following: all glass surfaces, windows, window frames, casings and locks (including caulking of windows); all doors, doorways, door frames, and hardware that are part of the entry system of the Unit; all portions of the heating and air conditioning system, including the air conditioning compressor serving the Unit and the fan coil; and all pipes, lines, ducts, conduits, or other apparatus which serve only one Unit, whether located within or without a Unit's boundaries (including all electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits, or other apparatus serving only the Unit). Each Owner shall maintain all of the same to a standard that is reasonably satisfactory to the ACC.

(b) In addition, each Unit Owner shall have the following responsibilities:

(i) To keep in a neat, clean and sanitary condition any Limited Common Elements and Limited Common Elements exclusively serving his or her Units;

(ii) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Units;

(iii) To promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible; and

(iv) To pay for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Unit Owner, but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Unit Owner, his or her family, tenants or guests, with the cost thereof to be added to and become part of the Unit Owner's next chargeable assessment.

20.02 By the Association.

(a) The Association shall maintain and keep in good repair as a Common Expense all Common Elements, but excluding any Limited Common Elements that are assigned exclusively to any Unit(s); provided, however, the cost of the maintenance and repair of Limited Common Elements may be assessed against the Unit Owner to whom the Limited Common Element is assigned pursuant to the Condominium Instruments.

(b) The Association shall not be liable for injury or damage to person or property caused by the elements of weather, or by an Owner of any Unit, or any other person, or resulting from any utility, rain, snow or ice which, may leak or flow from any portion of the Common Elements or Limited Common Elements from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to the Owner of any Unit or such Owner's Occupants, tenants, guests, invitees, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements or Limited Common Elements. The Association shall not be liable to any Owner, or any Owner's Occupants, tenants, guests, invitees, or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take

some action or perform some function required to be taken or performed by the Association under the Condominium Instruments or any rules and regulations adopted pursuant thereto, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

20.03 Failure of Owner to Maintain.

(a) If the Board of Directors determines, acting through the ACC, that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items for which he or she is responsible hereunder (including failing to maintain his Unit to a standard that is satisfactory to the ACC), then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

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

(c) If the Board of Directors determines that the need for maintenance or repair is caused through the willful or negligent act of any Owner, or Occupant, or Occupant's family, guests, tenants, or invitees, then the Association may assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Unit, which shall become a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

20.04 Measures Related to Insurance Coverage.

(a) The Board of Directors, upon resolution, shall have the authority to require all or any Unit Owner to do any act or perform any work involving portions of the Condominium which are the maintenance responsibility of the Unit Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium, reduce the insurance premium paid by the Association for any insurance coverage, or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Owners to install smoke detectors, requiring Owners to make improvements to the Owner's Unit, and such other measures as the Board may reasonably require so long as the cost of such work does not exceed three hundred dollars (\$300.00) per Unit in any twelve (12) month period.

(b) In addition to, and not in limitation of, any other rights the Association may have, if any Unit Owner does not comply with any requirement made by the Board of Directors pursuant to Subsection 20.04(a), the Association upon fifteen (15) days written notice (during which period the Unit Owner may perform the required act or work without further liability) may perform such required act

or work at the Unit Owner's sole cost and expense. Such cost shall be an assessment and a lien against the Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to this Article, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that access may be had at any time without notice in an emergency situation.

ARTICLE 21 PARTY WALLS

21.01 General Rules of Law to Apply. Each wall built as a part of the original construction of the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

21.02 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

21.03 Damage and Destruction. If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has benefited by the wall may restore it, and the other Owner or Owners thereafter who are benefited by the wall shall contribute to the cost of restoration thereof in equal proportions, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

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

21.05 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefore by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties. Compliance with this subsection shall be a condition precedent to any right of legal action that either party may have against the other in a dispute arising under the provisions of this Article.

ARTICLE 22 CONTROL BY DECLARANT

22.01 Pursuant to and in accordance with the provisions of the Official Code of Georgia Annotated Section 44-3-101, the Declarant is hereby authorized in accordance with the By-Laws of the Association, incorporated herein by reference, to appoint and remove any member or members of the Board of Directors and any officer or officers of the Association with or without cause until the first of the following to occur: