

**EXHIBIT "C"**

**BY-LAWS  
OF  
RIDGECREEK CONDOMINIUM ASSOCIATION, INC.**

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BY-LAWS  
OF  
RIDGECREEK CONDOMINIUM ASSOCIATION, INC.

Article I  
General

**Section 1. Applicability.** These By-Laws provide for the self-government of Ridgescreek Condominium and Ridgescreek Condominium Association, Inc., in accordance with the Articles of Incorporation filed with the Secretary of State and the Declaration of Condominium recorded in DeKalb County, Georgia Records.

**Section 2. Name.** The name of the corporation is Ridgescreek Condominium Association, Inc., ("Association").

**Section 3. Membership.** An owner of a unit shall automatically become a member of the Association upon taking title to the unit and shall remain a member for the entire period of ownership; as may be more fully provided below, a spouse of a member may exercise the powers and privileges of the member. If title to a unit is held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) vote per unit. Membership does not include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the owner's membership. Membership shall be appurtenant to the unit to which it appertains and shall be transferred automatically by conveyance of that unit and may be transferred only in connection with the transfer of title.

**Section 4. Voting.** Each unit shall be entitled to a vote as set out in the Declaration which may be cast by the owner, the owner's spouse, or by a lawful proxy as provided below. When more than one person owns a unit, the vote for such unit shall be exercised as they between or among themselves determine, but in no event shall more than one vote be cast with respect to any unit. If only one co-owner attempts to vote for a unit, it shall be conclusively presumed that such co-owner is authorized on behalf of all co-owners to cast the vote for the unit. In the event of disagreement among co-owners and an attempt by two or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not be counted. No owner shall be eligible to vote, either in person or by proxy, or be elected to the Board of Directors, if that owner is shown on the books or management accounts of the Association to be more than sixty

(60) days delinquent in any payment due the Association or is under suspension for the infraction of any provision of the Declaration, these By-Laws, or any rule.

Section 5. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totalling more than fifty (50%) percent of the total number of eligible votes, owners, or other groups. Unless otherwise specifically stated, the words "majority vote" mean more than fifty (50%) percent of those voting in person or by proxy. Unless otherwise provided in the Declaration or these By-Laws, all decisions shall be by majority vote.

Section 6. Purpose. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions to the common expenses, arranging for the management of the Condominium and performing all of the other acts that may be required to be performed by the Association, pursuant to the Georgia Condominium Act and the Declaration. Except as to those matters which either the Georgia Condominium Act, the Declaration, or the Georgia Nonprofit Corporation Code specifically require to be performed by the vote of the Association, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

Section 7. Definitions. Generally, terms shall have their natural meanings or the meanings given in the Declaration, the Act, the Articles of Incorporation, or the Georgia Nonprofit Corporation Code. Unless the context otherwise requires, the terms as used in these By-Laws, the Declaration, and the Articles of Incorporation shall have the following meanings:

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

(b) Additional Property shall mean that property described in Exhibit "D" to the Declaration which Declarant has reserved the option to add to the Condominium.

(c) Association shall mean Ridgecreek Condominium Association, Inc., and its successors.

(d) Board or Board of Directors shall mean the governing body of the Association.

(e) Common elements or common areas shall mean that area and property submitted to be part of the Condominium but not included within the boundaries of a unit, as more particularly set forth in the Declaration.

(f) Condominium shall mean all that property submitted to the Act as described in Exhibit "A" to the Declaration and as may be added subsequently by Supplemental Declaration.

(g) Condominium Instruments shall mean the Declaration together with the By-Laws of the Association and all exhibits to the Declaration or By-Laws attached thereto and recorded therewith, and the plats and plans, all as may be supplemented or amended.

(h) Declaration shall mean that document filed of record in the Office of the Clerk of the Superior Court of DeKalb County, Georgia, for the purpose of submitting the Condominium to the Act.

(i) 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 the Declaration.

(j) Limited common elements shall mean a portion of the common property set aside for limited use as more particularly set forth in the Declaration.

(k) 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 for such purpose of fee title.

(l) Mortgagee or mortgage holder shall mean the holder of any mortgage.

(m) Officer shall mean those individuals who are elected by the Board to serve as President, Vice President, Secretary, or Treasurer, or such other subordinate offices as the Board may determine necessary.

(n) Owner shall mean the record title holder of a unit within the Condominium, but shall not mean a mortgage holder.

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

(p) Property shall mean that real estate which is submitted to the provisions of the Act by the Declaration.

(q) Supplemental Declaration shall mean any document filed of record in the Office of the Clerk of the Superior Court of DeKalb County, Georgia, for the purpose of submitting any portion of the Additional Property to the Condominium.

(r) Unit shall mean that portion of the Condominium intended for individual ownership and use as described in the Declaration and shall include the undivided ownership in the common elements.

## Article II Meetings of Members

Section 1. Annual Meetings. The regular annual meeting of the members shall be held within the month of May in each year on a day and at an hour set by the Board. Meetings shall be at the Condominium or at some other suitable place set by the Board.

Section 2. Special Meetings. Special meetings of the members for any purpose may be called at any time by the President, the Secretary, or Treasurer, or by request of any two or more members of the Board of Directors, or upon written request of the members who have a right to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meetings. It shall be the duty of the Secretary to mail to each owner of units of record or to cause to be delivered to the units a notice of each annual or special meeting of the Association at least twenty-one (21) days prior to each annual meeting and at least seven (7) days prior to each special meeting. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. If any owner wishes notice to be given at an address other than his or her unit, the owner shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Upon request, any institutional holder of a first mortgage shall be entitled to written notice of all meetings and shall be permitted to designate a representative to attend and observe any such meeting.

Section 4. Waiver of Notice. Waiver of notice of meeting of the owners shall be deemed the equivalent of proper notice. Any owner may, in writing, waive notice of any meeting



of the owners, either before or after such meeting. Attendance at a meeting by an owner, whether in person or by proxy, shall be deemed waiver by such owner of notice of the time, date, and place thereof unless such owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 5. QUORUM. Except as may be provided elsewhere, the presence of owners, in person or by proxy, entitled to cast one-third (1/3) of the eligible votes of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished.

Section 6. Adjournment. Any meeting of the owners may be adjourned from time to time for periods not exceeding fortyeight (48) hours by vote of the owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at an adjourned session, and no additional notice of such adjourned session shall be required.

Section 7. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies must be dated and may be revoked only by written notice delivered to the Association. Presence in person by the giver of a proxy at the meeting for which a proxy is given shall automatically invalidate the proxy.

Section 8. Consents. Any action which may be taken by a vote of the owners may also be taken by written consent signed by all owners.

Section 9. Order of Business. At all meetings of the Association, Roberts Rules of Order (latest edition) shall govern when not in conflict with the Declaration or these By-Laws. Unless otherwise provided in the notice calling the meeting, the order of business shall be: Roll Call, Proof of Notice, Reading of Minutes, Officers' Reports, Old Business, Elections (if any), New Business, Adjournment.

Article III  
Board of Directors

A. Composition and Selection.

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of five (5) persons. The directors shall be owners of units or spouses of such owners; provided, however, no owner and his or her spouse may serve on the Board at the same time.

Section 2. Term of Office. The initial terms of the directors shall be staggered on a one (1), two (2), and three (3) year basis. One (1) director shall be elected for one (1) year, two (2) directors shall be elected for two (2) years, and two (2) directors shall be elected for three (3) years at the first annual meeting of the Association following the termination of the right of Declarant to appoint and remove directors, as set forth in the Declaration. After the initial term of each director, directors shall be elected for three (3) year terms or until their successors are elected.

Section 3. Removal of Members of the Board of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the members and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason, including the addition of a new director or directors, but excluding the removal of a director by vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor so selected shall hold office for the remainder of the term of the member being replaced.

Section 5. Compensation. Directors shall not be compensated for services as such unless and to the extent the compensation is authorized by the members. Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors. Nothing herein shall prohibit a director from entering into a contract and being compensated for services or

supplies furnished to the Association in a capacity other than as director; provided that the director's interest is known and the contract is approved by a majority of the Board of Directors, excluding the director with whom the contract is made.

**Section 6. Nomination.** Nomination for election to the Board shall be made by a Nominating Committee which shall consist of three (3) members appointed by the President to serve from the close of one annual meeting to the close of the succeeding annual meeting. The Nominating Committee shall be announced at the annual meeting. The Nominating Committee may nominate any number of qualified individuals, but no less than the number of directors to be elected. The nominations shall be made at least twenty-one (21) days prior to the annual meeting, and a brief statement about the qualifications of each individual so nominated shall be included with the notice of the annual meeting. Nominations shall also be allowed from the floor at the meeting. No member shall be nominated for election to the board of directors, nor permitted to run for election, if more than thirty (30) days past due in the payment of any assessment. Failure to comply with this Section shall in no way invalidate the election of directors who were not nominated in accordance with the provisions hereof.

**Section 7. Elections.** All members of the Association eligible to vote shall be entitled to cast one vote for each directorship to be filled. There shall be no cumulative voting. The directorships for which elections are held shall be filled by that number of candidates receiving the most votes.

**Section 8. Interim Board During Period of Declarant Control.** At such time as the Declarant may have conveyed fifty (50%) percent of the units in the Condominium, as fully expanded pursuant to the provisions of Paragraph 18 of the Declaration, to persons other than Declarant or persons constituting Declarant, and prior to the time when Declarant's right to appoint and remove members of the Board of Directors shall have expired, the members shall be entitled to elect an interim board of advisory directors which shall consist of five (5) members elected in accordance with the procedures set forth in Sections 6 and 7 of this Article. Until the expiration of the Declarant's right to appoint directors as provided in Paragraph 17(b) of the Declaration, the interim board shall serve in an advisory capacity only as a liaison between the members and the board of directors appointed by the Declarant, and may attend all regular board meetings but shall not vote. The interim board shall serve as the sole board of directors of the Association after expiration of the Declarant's right to appoint directors in accordance with Paragraph 17(b) of the

Declaration until the next annual meeting of the Association, at which time all of the directors' terms shall expire and successors shall be elected.

**B. Meetings.**

**Section 9. Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every three (3) months. The newly elected Board shall meet within ten (10) days after each annual meeting of members.

**Section 10. Special Meetings.** Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given by mail, in person or by telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

**Section 11. Waiver of Notice.** Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

**Section 12. Conduct of Meetings.** The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, the Articles of Incorporation, or these By-Laws. A majority of directors shall constitute a quorum for the transaction of business.

**Section 13. Action Without a Meeting.** Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the directors consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board of Directors.

C. Powers and Duties.

Section 14. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Condominium and may do all such acts and things as are not by the Declaration, Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the members. The Board shall have the power to adopt such rules and regulations as it deems necessary and appropriate and to impose sanctions for violations thereof, including, without limitation, monetary fines. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for, the following, in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment (Unless otherwise determined by the Board of Directors, the annual assessment against the proportionate share of the common expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month.);

(c) providing for the operation, care, upkeep, and maintenance of all of the Area of Common Responsibility;

(d) designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) making and amending rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to, or alterations of the Common Area in accordance with the other provisions of the Declaration and these By-Laws, after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(k) paying the costs of all services rendered to the Association or its members and not chargeable to Owners; and

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the times and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices.

**Section 15. Management Agent.** The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize. Moreover, any management contract shall contain a termination clause permitting termination for cause upon no more than thirty (30) days written notice; provided, however, no contract shall be for more than one (1) year, and, provided, further, any contract entered by the Association during the time that Declarant has the right to appoint and remove directors shall be terminable by the Association upon ninety (90) days' written notice to the manager after the members have the right to elect directors. If a manager or agent is hired, the following management standards of performance will be followed unless the Board, by resolution, determines otherwise:

(a) the accrual method of accounting shall be employed;

(b) two or more persons shall be responsible for handling cash to maintain adequate financial control procedures;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

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

(f) a quarterly financial report shall be prepared for the Association containing:

(i) an Income Statement reflecting all income and expense activity for the preceding quarter;

(ii) an Account Activity Statement reflecting all receipt and disbursement activity for the preceding quarter;

(iii) an Account Status Report reflecting the status of all accounts in an "actual" versus "projected" (budget) format;

(iv) a Balance Sheet reflecting the financial condition of the Association on an unaudited basis;

(v) a Budget Report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten (10%) percent of a major budget category (as distinct from a specific line item in an expanded chart of accounts); and

(vi) a Delinquency Report listing all Owners who have been delinquent during the preceding quarter in paying the monthly installments of condominium assessments and who remain delinquent at the time of the report, and describing the status of any action to collect such installments which remain delinquent. A monthly installment of the condominium assessment shall be considered to be delinquent on the tenth (10th) day of each month.

Section 16. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of repair or

restoration of common areas and facilities without the approval of the members of the Association; provided, however, the Board shall obtain membership approval in the same manner as for special assessments set forth hereinafter, in the event the proposed borrowing is for the purpose of modifying, improving, or adding amenities to the Condominium and the total amount of such borrowing exceeds or would exceed Ten Thousand (\$10,000.00) Dollars outstanding debt at any one time.

**D. Committees.**

**Section 17. Nominating Committee.** Pursuant to Section 6 of this Article, there shall be a Nominating Committee composed of three (3) members appointed in the manner and to perform the functions specified in Section 6 of this Article.

**Section 18. Architectural Standards.** The Board may establish an Architectural Standards Committee for the purpose of establishing and maintaining architectural standards on Condominium property as hereinafter provided.

**Section 19. Covenants Committee.** The Board of Directors may appoint a Covenants Committee consisting of at least three (3) and no more than seven (7) members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if created by the Board, shall be the hearing tribunal of the Association.

**Section 20. Service on Committees.** Unless otherwise provided in these By-Laws or in the resolution authorizing a particular committee, the members of the committee shall be appointed by the President and shall serve at pleasure of the President. Any committee member, except a member of the Covenants Committee, may be removed with or without cause at any time and with or without a successor being named. The appointment and removal of members of the Covenants Committee shall be governed by the provisions for the appointment and removal of directors.

**Section 21. Other Committees.** There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize.

**E. Declarant Rights.**

**Section 22. Board Appointed By Declarant.** Notwithstanding anything to the contrary herein, this Article III, Sections 1 through 7, Section 9, and Section 16 shall not



apply so long as the Declarant retains the right to appoint and remove directors, as provided in the Declaration. The activities of the Board during the period of Declarant control shall be governed by the Declaration and the Act.

#### Article IV Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Secretary, and the Treasurer. The President and Secretary shall be elected by and from the Board of Directors. The Treasurer shall be elected by the Board of Directors, but may be either a Board or an Association member. The Board of Directors may appoint one or more Vice Presidents, Assistant Treasurers, Assistant Secretaries, and such other subordinate officers as in its judgment may be necessary. Any Vice President or assistant or subordinate officers shall not be required to be members of the Association or of the Board of Directors. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one office.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board following each annual meeting of the members and shall hold office at the pleasure of the Board of Directors and until a successor is elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code, including, but not limited to, the power to appoint committees from among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President, if elected, shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting. If no Vice President is appointed, the Secretary shall act in the President's absence.

**Section 6. Secretary.** The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under Georgia law. If no Vice President is appointed, the Secretary shall act in the President's absence and shall have all the powers, duties, and responsibilities of the President when so acting.

**Section 7. Treasurer.** The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of the budget as provided below.

**Section 8. Agreements, Contracts, Deeds, Leases, Etc.** All agreements, contracts, deeds, leases, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

#### **Article V Association Responsibilities**

**Section 1. Liability and Indemnification of Officers and Directors.** The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such officer or director in the performance of his duties, except for their own individual willful misfeasance or malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or

directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation, and the insurance shall be written as provided in Section 2 of this Article.

Section 2. Insurance. The Association shall obtain and maintain at all times, as a common expense, insurance as required by law and as required herein. All such insurance coverage shall be written in the name of the Association as trustee for itself, each of the owners, and the mortgagees of owners, if any. It shall be the duty of the Board of Directors at least every three (3) years to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association and to satisfy the requirements of Section 44-3-107 of the Act. Such insurance shall run to the benefit of the Association, the respective unit owners, and their respective mortgagees, as their interests may appear. The improvements and betterments made by the individual unit owners shall be excluded from this required coverage, but each owner shall have the right to obtain additional coverage for such improvements, betterments, or personal property at his or her own expense. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance equals at least the full replacement costs.

(a) The Board of Directors shall utilize every reasonable effort to secure a master policy covering physical damage in an amount equal to full replacement cost, before application of deductibles, of all improvements located on the Condominium that will provide the following:

(i) that the insurer waives its rights of subrogation of any claims against directors, officers, the managing agent, the individual owners, and their respective household members;

(ii) that the master policy on the Condominium cannot be cancelled, invalidated, or suspended on account of the conduct of any director, officer, or employee of the Association or the managing agent without a prior demand in writing delivered to the Association and to all mortgagees of units to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured;

(iii) that any "no other insurance" clause contained in the master policy shall expressly exclude individual unit owners' policies from its operation;

(iv) that until the expiration of thirty (30) days after the insurer gives notice in writing to the mortgagee of any unit, the mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the owner of such unit, the other unit owners, the Board of Directors, or any of their agents, employees, or household members, nor be cancelled for nonpayment of premiums;

(v) that the master policy may not be cancelled or substantially modified without at least thirty (30) days prior notice in writing to the Board of Directors and all mortgagees of units;

(vi) an agreed value endorsement; and

(vii) that the deductible amount per occurrence shall not exceed One Thousand (\$1,000.00) Dollars.

(b) All policies of insurance shall be written with a company licensed to do business in the State of Georgia and holding a rating of XI or better in the Financial Category as established by A. M. Best Company, Inc., if available, or, if not available, the best rating available. The company shall provide insurance certificates to each owner and each mortgagee.

(c) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual unit owners or their mortgagees. Each unit owner shall notify the Board of Directors of all structural improvements made by the unit owner to his unit. Any unit owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such owner at his expense, and personal property belonging to such owner, shall file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. Such owner shall also promptly notify, in writing, the Board of Directors in the event such policy is cancelled.

(d) In addition to the insurance required hereinabove, the Board shall obtain as a common expense:

(i) workmen's compensation insurance if and to the extent necessary to meet the requirements of law;

(ii) public liability and officers' and directors' liability insurance in such amounts as the Board may determine, but in no event less than One Million (\$1,000,000.00) Dollars per occurrence (Such insurance shall contain a cross liability endorsement.);

(iii) fidelity bonds covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds. Such bonds shall be in an amount which in the best business judgment of the Board of Directors reflects the estimated maximum amount of funds, including reserve funds in the custody of the Association at any time during the term of the bond, but not less than three (3) months aggregate assessments, plus reserves on hand as of the beginning of the fiscal year and shall contain waivers of any defense based upon the exclusion of persons serving without compensation.); and

(iv) such other insurance as the Board of Directors may determine to be necessary.

(e) Insurance carried by the Association as a common expense shall not include any part of a unit neither depicted on the original plats and plans nor included in the original mortgage, nor shall the Association include public liability insurance for individual owners for liability arising within the unit. Nothing contained herein gives any owner or other party a priority over any rights of first mortgagees as to distribution of insurance proceeds.

(f) Every unit owner shall be obligated to obtain and maintain at all times insurance covering the structural portions of his unit to the extent not insured by policies maintained by the Association.

Section 3. Repair and Reconstruction. In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless eighty (80%) percent of the unit owners, including the owner or owners of the damaged unit or units, vote not to proceed with the reconstruction and repair of the structure, the Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure in accordance with the original plats and plans. In the event of substantial damage or destruction, each institutional holder of a first mortgage shall be entitled to written notice of the damage, and nothing in these documents shall be construed to afford a priority to any unit owner with respect to the distribution of proceeds to any such unit.

The procedure for repair and reconstruction shall be:

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to the Condominium, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged unit) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair, as determined by the Board of Directors, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, assessments shall be made against all of the unit owners. If after repair and reconstruction is completed there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board of Directors.

(c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Condominium was originally constructed.

(d) Encroachments. Encroachments upon or in favor of units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the unit owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

(e) Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against unit owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Section.

(f) Method of Disbursement. The construction fund shall be paid by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

(g) Insurance Deductibles. If maintenance is required as a result of an insured loss, the amount of the deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such repair in the absence of insurance. If the loss affects more than one unit or a unit and the common area, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in accordance with the total cost of repair.

Section 4. Architectural Standards. The Board of Directors, subject to this Section 4, may allow such encroachments onto the common elements as it deems acceptable. No owner, occupant, lessee or lessor, or any other person may make any exterior change, alteration, or construction, nor erect, place, or post any sign, object, light, or thing on the exterior of the buildings or any other common element without first obtaining the written approval of the Board or its delegate. Application shall be in writing and shall provide such information as the Board may reasonably require. The Board or its delegate may publish written architectural standards for exterior alterations or additions, and any request in substantial compliance with any such published standards shall be approved. In the event that the Board or its delegate fails to approve or to disapprove such application within sixty (60) days after it shall have been submitted, its approval will not be required and this Section 4 will be deemed complied with; provided that 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 or these By-Laws. 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 responsibility for maintenance, repair, and replacement and insurance to or on such change, modification, addition, or alteration. In the discretion of the Board an owner may be made to verify such condition of approval by written instrument acknowledged by such owner on behalf of himself or herself and his or her successors-in-interest.

Section 5. Maintenance Responsibility.

(a) By the Owner. Except to the extent otherwise provided below, each owner shall have the obligation to maintain and keep in good repair all portions of his unit and all glass surfaces, windows, window frames, and all doors, doorways, frames, and hardware that are part of the entry system of the unit, patios or balconies, the air conditioning compressor serving the unit, all pipes, lines, ducts, conduits,

or other apparatus which serve only the unit, whether located within or without a unit's boundaries (including all gas, electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits, or other apparatus serving only the unit). Except to the extent otherwise provided below, each owner shall maintain all parts of the unit and all limited common elements assigned to his unit. If two or more units share limited common elements, the cost of maintenance shall be divided equally among those who share the facilities, unless otherwise agreed among the parties or provided below.

(b) By the Association. The Association shall maintain and keep in good repair as a common expense the "Area of Common Responsibility," which includes all general common elements, the exterior surfaces of all improvements, except those listed in Section 5(a) of this Article, whether or not located within the boundaries of a unit or within the limited common elements of a unit. The Area of Common Responsibility shall include, but shall not be limited to, roofs and roof supports; paving; brick; painting of doors which comprise a boundary to a unit or limited common element, exterior trim, the exterior of decks and balconies and decks and balcony supports; maintenance and repair of all parking facilities, whether or not assigned as limited common elements, all maintenance and repair of landings and stairways assigned as limited common elements; and all common property. Except to the extent that insurance required to be maintained or maintained by the Association covers any damage or loss and except as otherwise provided herein, the Association shall not be responsible for any maintenance or repair to any unit or to any limited common element.

(c) Failure to Maintain. If the Board of Directors determines that: (i) any owner has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of items of which he is responsible hereunder; or (ii) that the need for maintenance, repair, or replacement which is in the Area of Common Responsibility is caused through the willful or negligent act of any owner, his or her family, guests, lessees, or invitees, and it is not covered or paid by insurance, in whole or in part, then, except in an emergency situation, the Association shall give the owner written notice of the Association's intent to provide necessary maintenance, repair, or replacement at 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. Unless the Board of Directors determines that an emergency exists, and except where the necessary maintenance is the responsibility of



the Association under Section 5(b) of this Article, the owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that an emergency exists, or if an owner does not comply with the demand given by the Association as herein provided, or if the maintenance item is the responsibility of the Association under Section 5(b) of this Article, 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 and shall become and be a lien against the unit, as hereinafter provided.

(d) Measures Related to Insurance Coverage.

(i) The Board of Directors, upon resolution, shall have the authority to require all or any unit owner(s) 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 not be limited to, requiring all owners to turn off cut-off valves which may now or hereafter be installed during winter months for outside water spigots; requiring owners to sufficiently insulate pipes or take other preventive measures to prevent freezing of water pipes; requiring owners to install smoke detectors; and such other measures as the Board may reasonably require.

(ii) In addition to, and not in limitation of, any other rights the Association may have, if any unit owner does not comply with any reasonable requirement made by the Board of Directors pursuant to subparagraph (d)(i) above, 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. Said cost shall be added to and become a part of the assessment obligation of such unit owner and shall become a lien against the unit and shall be collected as provided in Article VI of these By-Laws. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subparagraph d(i) above, 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 VI  
Assessments**

**Section 1. Purpose of Assessment.** The assessments for common expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the owners and occupants of units in the Condominium as may be more specifically authorized from time to time by the Board. Assessments may be used to compensate officers and directors only if approved by a majority vote of the Association.

**Section 2. Creation of the Lien and Personal Obligation For Assessments.** Each owner of any unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) annual assessments or charges; (b) special assessments, such assessments to be established and collected as hereinafter provided; and (c) specific assessments against any particular unit which are established pursuant to the terms of these By-Laws or the Declaration. All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred, in the maximum amount permitted by the Declaration and the Act, shall be a charge on the unit and shall be a continuing lien upon the unit against which each assessment is made. Such amounts shall also be the personal obligation of the person who was the owner of such unit at the time when the assessment fell due. Each owner shall be liable for his or her portion of each assessment coming due while he or she is the owner of a unit, and his or her Grantee shall be jointly and severally liable for a portion thereof as maybe due and payable at the time of any conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors; unless otherwise provided, the annual assessments shall be paid in equal monthly installments due on the first day of each calendar month.

**Section 3. Delinquent Assessments.** All assessments and related charges not paid on or before the due date shall be delinquent, and the owner shall be in default.

(a) 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 (10%) percent 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 maximum rate allowed by law shall accrue from the due date.

(b) If part payment of assessments and related charges is made, the amount received shall be applied in the following order, and no restrictive language on any check or draft shall be effective to change the order of application:

(i) to any unpaid late charges which are not the subject matter of suit in the order of their coming due;

(ii) to any unpaid interest charges which are not the subject matter of suit;

(iii) to any unpaid specific assessments (including, but not limited to, fines imposed in accordance with the powers granted in the Condominium Instruments) in the order of their coming due;

(iv) to costs of collection, including reasonable attorney's fees actually incurred by the Association;

(v) to any unpaid installments of the annual assessment or special assessments which are not the subject matter of suit in the order of their coming due;

(vi) to the fair rental value of the unit during the pendency of suit and prior to satisfaction of any judgment which remains unpaid;

(vii) to any unpaid late charges which are the subject matter of suit in the order of their coming due;

(viii) to any unpaid interest charges which are the subject matter of suit; and

(ix) to any unpaid installments of the annual assessment or special assessments which are the subject matter of suit in the order of their coming due.

(c) The fair rental value of the units, for purposes of this Section, shall be as established from time to time by the Board of Directors. Unless otherwise provided, the fair rental value shall be as follows:

(i) Astor - \$475.00;

(ii) Breakwater - \$575.00; and

(iii) Carlisle - \$675.00.

(d) If assessments and related 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 which shall state that if the assessment 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 monthly assessment installments for that fiscal year. 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 assessment installments for the remainder of that fiscal year, without any further notice being given to the delinquent owner. That owner shall thereby lose the privilege of paying the annual assessment in monthly installments for that fiscal year.

(e) If assessments and related charges or any part thereof remain unpaid 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 these By-Laws, the Declaration, and Georgia law and suspend the owner's right to use the common elements or the easement properties (provided, however, the Board may not limit ingress or egress to or from a unit), whether or not a Notice of Delinquency has been sent, as provided above.

Section 4. Computation of Operating Budget and Assessment. It shall be the duty of the Board at least thirty (30) 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 the assessments to be levied against each unit for the following year to be delivered to each member at least thirty (30) days prior to the beginning of the Association's fiscal year. The budget and the assessment shall become effective unless disapproved at a duly called and constituted meeting of the Association by a vote of a majority of the total Association membership. Notwithstanding the foregoing, however, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year, and the Board may propose a new budget at any time during the year by causing the proposed budget and assessment to be delivered to the members at least thirty (30) days prior to the proposed effective date

thereof. Unless requested by the members, as provided for special meetings, the budget and assessment may take effect without a meeting of the members.

**Section 5. Special Assessments.** If the assessment proves inadequate for any year, the Board may at any time levy a special assessment against all owners; provided, however, prior to becoming effective, any special assessment shall be approved by the affirmative vote of two-thirds (2/3) of those present, in person or by proxy, at a special or annual meeting of the members, notice of which shall specify that purpose.

**Section 6. Notice of Meetings.** Written notice of any meeting called for the purpose of taking any action authorized under this Article shall be sent to all members not less than twenty-one (21) days in advance of the meeting. Upon written request of any institutional holder of a first mortgage, that holder shall be entitled to written notice of any such meeting and shall be permitted to designate a representative to attend and observe the meeting.

**Section 7. Lien for Assessments.** The Association shall have full and complete lien rights as provided or permitted by Section 44-3-109 of the Act, and the lien shall specifically include the maximum costs, charges, fees, and rents set out in the Declaration and in Section 44-3-109(b) of the Act.

**Section 8. Capital Budget and Contribution.** 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 shall be fixed by the Board and included within the budget and assessment as provided in this Article. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

**Section 9. Statement of Account.** Any owner, mortgagee, or a person having executed a contract for the purchase of a unit, or a lender considering a loan to be secured by a unit shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a unit. The

Association shall respond in writing within five (5) days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding Ten (\$10.00) Dollars, as a prerequisite to the issuance of such a statement.

Section 10. Assessments by Declarant.

Notwithstanding anything to the contrary herein, the Declarant may contribute assessments due from it in services or materials or a combination of services and materials, rather than in money, (herein collectively called "in kind contribution"). The amount by which monetary assessments shall be decreased as a result of any in kind contribution shall be the fair market value of the contribution. If the Declarant and the Association agree as to the value of any contribution, the value shall be as agreed. If the Association and the Declarant cannot agree as to the value of any contribution, the Declarant shall supply the Association with a detailed explanation of the service performed and material furnished, and the Association shall acquire bids for performing like services and furnishing like materials from three (3) independent contractors approved by the Declarant who are in the business of providing such services and materials. If the Association and the Declarant are still unable to agree on the value of the contribution, the value shall be deemed to be the average of the bids received from the independent contractors.

Article VII

Use Restrictions and Rule Making

Section 1. Authority and Enforcement. The

Condominium shall be used only for those uses and purposes set out in the Declaration. The Board of Directors shall have the authority to make and to enforce reasonable rules and regulations governing the conduct, use, and enjoyment of units, the easement property and the common elements, provided that copies of all such rules and regulations be furnished to all owners. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property, and to suspend an owner's right to vote or to use the common elements or the easement properties for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a unit. In the event that any occupant of a unit violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against such occupant; provided, however, if the fine is not paid by the occupant within the

time period set by the Board, the unit owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Act or of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

**Section 2. Procedure.** The Board shall not impose a fine or suspend a member's right to vote for violation of rules unless and until the following procedure is followed:

(a) **Demand.** Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of sanction after, if the violation is not continuing.

(b) **Notice.** Within twelve (12) months of such demand and during the existence of a continuing violation or subsequent recurrence of a noncontinuing violation, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board shall serve the violator with written notice which shall contain: (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a statement that the violator may challenge the fact of the occurrence of a violation, the proposed sanction, or both; (iv) the name, address, and telephone number of a person to contact to challenge the proposed action; and (v) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of receipt of the notice. If a challenge is not made, the sanction shall be imposed ten (10) days from the date of the notice.

(c) **Hearing.** If the alleged violator timely challenges the proposed action, a hearing before the Board of Directors or the Covenants Committee, if one has been appointed, shall be held in executive session affording the member a reasonable opportunity to be heard. The hearing shall be set and notice of the time, date (which shall be not less than ten (10) days from the giving of notice), and place of the hearing and an invitation to attend the hearing and produce any statements, evidence, and witnesses shall be sent to the alleged violator. Prior to the effectiveness of any sanction hereunder, proof of notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of

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

(d) Appeal. If a hearing held according to subsection (c), above, was held before the Covenants Committee, the alleged violator shall have a right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within thirty (30) days after the hearing date. The results of any hearing which is not appealed within the time period shall be conclusively presumed to have been concurred in by all parties.

Section 3. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through its Board of Directors, may elect to enforce any provision of the the Act, the Declaration, these By-Laws, or the rules and regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations, as provided below) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth in Section 2 of this Article. In any such action, to the maximum extent permissible, the owner or occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

Section 4. Parking Rules and Enforcement. All parking on the common area shall be governed by this Section.

(a) Designation. Parking shall be only within designated parking spaces on the common elements and only in a front first position. There are no assigned parking spaces. All parking spaces for automobiles on the common elements are on a first come, first served basis. No more than two (2) passenger automobiles per unit shall be allowed to be parked on the Condominium Property at any time. The Board of Directors may by rule further define, limit, or regulate parking.

(b) Prohibited Vehicles. No vehicle other than a passenger automobile shall be authorized to park on the common areas, except in an area or areas, if any, specifically designated by the Board of Directors for parking or storing any one or more designated types of prohibited vehicles. Without limiting the generality of the foregoing, the following "prohibited vehicles" are strictly prohibited from being parked, stored, or allowed to remain on the common areas



(except in an area or areas, if any, specifically designated by the Board of Directors for parking or storing any one or more designated types of prohibited vehicles): abandoned vehicles, disabled vehicles, stored vehicles, motorcycles, boats, boat trailers, campers, trailers of any kind, recreational vehicles, trucks, vehicles primarily used for commercial purposes, and vehicles with commercial writings on their exteriors. Notwithstanding the above, trucks and commercial vehicles shall be allowed temporarily on the common areas during normal business hours for the purpose of serving any unit or the common areas; provided that no such vehicle shall be authorized to remain on the common areas overnight or for any purpose except serving a unit or the common areas.

(c) Definitions. For the purposes of this Section, the terms used herein are defined as follows:

(i) An "abandoned vehicle" shall mean a vehicle that is both obviously inoperable or does not have a current operating license and remains parked on the Condominium Property for fourteen (14) consecutive days.

(ii) A "disabled vehicle" shall mean any vehicle either not in current operating condition or without a current operating license.

(iii) A "stored vehicle" shall mean any vehicle other than an abandoned vehicle which remains parked in the same spot for fourteen (14) consecutive days or which is put on blocks or covered with a tarpaulin and remains on blocks or covered with a tarpaulin for more than forty-eight (48) hours without the prior written consent of the Board of Directors.

(iv) A passenger vehicle shall be deemed to include a van, or "Bronco" or "Blazer" type vehicle so long as such vans or vehicles are designed and used primarily as a passenger vehicle.

(d) Procedure. If any vehicle is parked on the common area except as authorized by this Section, a notice shall be placed on the vehicle designating the provision hereof which is being violated and indicating that after two (2) days the vehicle may be towed and designating the name and telephone number of the person who will do the towing and setting forth the name and telephone number of a person to contact regarding the alleged violation; provided, however, that in a situation where a vehicle is parked in a fire lane or is blocking another vehicle no notice shall be required and the vehicle may be towed immediately. If two (2) days after such notice is placed on the vehicle the violation continues or again occurs, the vehicle may be towed in accordance with the notice, without further notice to the owner or user of the vehicle. Any fee or

expense incurred for towing and storage of any vehicle shall be paid by the owner or user of the vehicle.

(e) Alternative Procedure. Notwithstanding anything to the contrary herein, the Board of Directors may elect to use the procedure set forth in Section 2, above, to impose a fine or other available sanction, rather than exercise its authority to tow, as set forth herein.

(f) Liability. 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.

#### Article VIII Miscellaneous

Section 1. Notices. Unless otherwise provided in these By-Laws all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

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

(b) If to the Association, the Board of Directors or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice to the owners and Declarant, if required, pursuant to this Section; or

(c) If to the Declarant, as specified in the Declaration or at such other address as shall be designated by a notice to the owners and the Association pursuant to this Section.

Section 2. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision thereof.

Section 4. Gender and Grammar. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Fiscal Year. The fiscal year of the Association may be set by resolution of the Board of Directors. In the absence of affirmative action by the Board of Directors, the fiscal year shall be the calendar year.

Section 6. Financial Review. A financial review of the accounts of the Association shall be made annually as a common expense by a public accountant, and a copy of the report shall be furnished to each member who requests a copy in writing. The Association shall, upon the vote of a majority of the members present in person or by proxy at a duly constituted meeting thereof, cause an audit to be performed by a certified public accountant as a common expense. Upon written request of any institutional holder of a first mortgage, such holder shall be entitled to receive a copy of the annual financial statement within ninety (90) days after the end of each fiscal year.

Section 7. Conflicts. In the event of conflicts between the Act, the Georgia Nonprofit Corporation Code, the Declaration, the Articles of Incorporation, and these By-Laws, the order of control shall be the order listed above.

Section 8. Condemnation. In the event of a taking by condemnation or by eminent domain, the provisions of the Act shall prevail and govern. Each institutional holder of a first mortgage shall be entitled to written notice of any such condemnation proceedings, and nothing in these documents shall be construed to give a priority to any unit owner in the distribution of proceeds to such unit.

Section 9. Amendment. These By-Laws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members holding two-thirds (2/3) of the total vote of the Association. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until it is certified by the officers of the Association and recorded in the official records of DeKalb County, Georgia. Notwithstanding anything to the contrary herein, any amendment covered by Sections 12 (b), (c) or (d) of the Declaration shall not be effective until the requirements of that Section are met. Any amendment duly certified and recorded (containing any additional signatures required by the Declaration) shall be

conclusively presumed to have been duly adopted in accordance with the Declaration and By-Laws.

**Section 10. Books and Records.** All members of the Association and any institutional holder of a first mortgage shall, upon written request, be entitled to inspect all books and records of the Association during normal business hours at the office of the Association or upon reasonable notice at the office of the Association or other place designated reasonably by the Board of Directors as the depository of such books and records.

**Section 11. Mortgagees' Notice.** A first mortgagee, upon written request, will be entitled to written notification from the Association of any default by an individual unit owner, who is the mortgagee's mortgagor, of any obligation arising from the Declaration and By-Laws and not cured within thirty (30) days.

We, the undersigned, being all of the directors of Ridgecreek Condominium Association, Inc., ("Association"), do hereby certify:

That we are entitled to exercise all of the voting power of the Association; and

That we hereby assent to the within and foregoing ByLaws and hereby adopt same as the By-Laws of the Association at its organizations' meeting held June 1, 1988.

IN WITNESS WHEREOF, we have hereunto subscribed our names as of the 2 day of September 1988.

  
\_\_\_\_\_  
JOHN A. STRAMA, Director

  
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STEVEN LAMBERT, Director

  
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GREGORY R. GALLAGHER, Director

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EXHIBIT "D"

Additional Property

All that tract or parcel of land lying and being in Land Lots 44, 45, and 66 of the 18th District of DeKalb County, Georgia, and being more particularly described as follows:

BEGINNING at an iron pin found at the common corner of Land Lots 44, 45, 66, and 67 of said district and county; thence North 89 degrees 31 minutes 19 seconds East 679.03 feet to an iron pin found; thence North 89 degrees 35 minutes 51 seconds East 276.45 feet to an iron pin found; thence South 00 degrees 05 minutes 16 seconds East 122.02 feet to an iron pin found; thence South 00 degrees 19 minutes 06 seconds East 111.51 feet to an iron pin found; thence South 00 degrees 42 minutes 07 seconds East 225.01 feet to an iron pin placed; thence South 89 degrees 20 minutes 41 seconds West 290.00 feet to an iron pin placed; thence South 01 degrees 14 minutes 34 seconds West 14.78 feet to an iron pin found; thence South 89 degrees 37 minutes 16 seconds West 676.87 feet to a witness corner marked by an iron pin placed; thence continuing South 89 degrees 37 minutes 16 seconds West 15.92 feet, more or less, to the centerline of a creek; thence running southerly and southeasterly along the centerline of said creek and following the meanderings thereof 285 feet, more or less, to a point; thence North 88 degrees 56 minutes 19 seconds West 15 feet, more or less, to a witness corner marked by an iron pin placed, said witness corner being South 23 degrees 04 minutes 42 seconds East 271.16 feet from the aforesaid witness corner; thence North 88 degrees 56 minutes 19 seconds West 792.91 feet to an iron pin found; thence North 00 degrees 13 minutes 24 seconds West 709.24 feet to an iron pin found; thence South 89 degrees 31 minutes 23 seconds East 221.87 feet along the north land lot line of Land Lot 45 to an iron pin found; thence North 38 degrees 57 minutes 57 seconds East 161.40 feet to an iron pin placed; thence North 89 degrees 14 minutes 49 seconds East 136.00 feet to an iron pin found; thence North 25 degrees 18 minutes 09 seconds West 78.22 feet to the southerly side of Indian Creek Way and an iron pin placed; thence North 89 degrees 49 minutes 59 seconds East along the southerly side of Indian Creek Way 270.68 feet to an iron pin placed and the east line of Land Lot 66; thence South 00 degrees 13 minutes 47 seconds East 197.92 feet to the point of beginning. Said tract containing 23.63 acres, more or less, as shown on boundary survey for Ridgeway Development Company by Planners & Engineers Collaborative, dated December 9, 1985, revised or updated September 29, 1986, July 17, 1987, January 21, 1988, and January 29, 1988.

LESS AND EXCEPT all that tract or parcel of property described on Exhibit "A" to this Declaration.