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DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,  
RESTRICTIONS AND EASEMENTS  
FOR  
ESTATES AT E-QUEST

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THIS INSTRUMENT ESTABLISHES A MANDATORY MEMBERSHIP HOMEOWNERS  
ASSOCIATION BUT DOES NOT SUBMIT THIS DEVELOPMENT TO THE PROVISIONS  
OF THE GEORGIA PROPERTY OWNERS' ASSOCIATION ACT, O.C.G.A. § 44-3-220, *ET*  
*SEQ.*

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EXHIBIT "A" - PROPERTY DESCRIPTION

EXHIBIT "B" - ADDITIONAL PROPERTY WHICH MAY BE UNILATERALLY SUBMITTED TO THIS  
DECLARATION BY DECLARANT

EXHIBIT "C" - BYLAWS OF ESTATES AT E-QUEST HOMEOWNERS ASSOCIATION, INC.

EXHIBIT "D" - EQUESTRIAN FACILITY PROPERTY DESCRIPTION

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,

RESTRICTIONS AND EASEMENTS

FOR

ESTATES AT E-QUEST

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

W I T N E S S E T H

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" hereof; and

WHEREAS, Declarant desires to subject the real property described in Exhibit "A" hereof to the provisions of this Declaration to create a residential community of single-family housing and to provide for the subjecting of other real property to the provisions of this Declaration;

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

Article 1  
Definitions

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

1.1 "Approved Builder" means a home builder approved by Declarant for the construction of houses on Lots which home builder has been granted rights of Approved Builder hereunder by the Declarant in a written instrument. Declarant may grant rights of Approved Builder to one or several home builders. Rights of Approved Builder hereunder shall apply only to the Lots which are acquired by the Approved Builder.

1.2 "Articles of Incorporation" means the Articles of Incorporation of Estates at E-QUEST Homeowners Association, Inc., filed with the Georgia Secretary of State and incorporated herein by this reference as may be amended from time to time.

1.3 "Association" means Estates at E-QUEST Homeowners Association, Inc., a Georgia nonprofit corporation, its successors and assigns.

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

1.5 "Bylaws" means the Bylaws of Estates at E-QUEST Homeowners Association, Inc., attached to this Declaration as Exhibit "C" and incorporated herein by this reference as may be amended from time to time.

1.6 "Common Property" means any and all real and personal property, including, without limitation, easements and other interests therein, and the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.

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

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

1.9 "Declarant" means **SUNRISE TRAILS, LLC**, a Georgia limited liability company and its successors-in-title and assigns; provided that in a recorded instrument, such successor-in-title or assignee is designated as the Declarant hereunder by then holder of all of the rights of Declarant hereunder; and, provided, further, upon the effective date of the designation of a successor Declarant, all rights of the former Declarant in and to such status as Declarant hereunder shall cease, it being understood that there shall be only one holder of the rights of Declarant hereunder at any one point in time.

1.10 "Equestrian Facility" shall mean and refer to the stables, barns, paddocks, corrals, pastures, meadows, trails, courses and other related facilities, if any, located on the Equestrian Facility Property. At no time shall the Equestrian Facility be a part of the Common Property nor is or shall the Equestrian Facility be governed by the provisions of this Declaration. No Owner or Occupant nor the Association shall have any rights in and to or obligations with respect to the Equestrian Facility except as expressly and specifically provided herein or in the Equestrian Trail Easement and Use Agreement.

1.11 "Equestrian Facility Owner" shall mean and refer to the owner of the property on which the Equestrian Facility is located, and its successors, assigns and successors-in-title with respect thereto.

1.12 "Equestrian Facility Property" shall mean and refer to that certain property on which the Equestrian Facility is located, being more particularly described on Exhibit "D" attached hereto and incorporated herein by this reference, together with any additions thereto which may be made.

1.13 "Equestrian Trail Easement and Use Agreement" shall mean and refer to that certain Equestrian Trail Easement and Use Agreement by and between **SUNRISE TRAILS, LLC**, a Georgia limited liability company, as Declarant; **ESTATES AT E-QUEST HOMEOWNERS ASSOCIATION, INC.**, a Georgia nonprofit corporation; and **VJL ENTERPRISES, INC.**, a Georgia corporation, as the Equestrian Facility Owner, recorded contemporaneously herewith in the Cherokee County, Georgia land records.

1.14 "Equestrian Trails" shall mean and refer paths and trails now or hereafter located on the Common Property within the Community initially installed and constructed by Declarant or an affiliate thereof or pursuant to the Equestrian Trail Easement and Use Agreement and as otherwise may exist on the Common Property within the Community from time to time for primary use for the movement and passage of horses and related activity and for the benefit of the Equestrian Facility as may be more particularly described on the recorded subdivision plat(s) for the Community or in the Equestrian Trail Easement and Use Agreement.

1.15 "Lot" means any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single-family dwelling site as shown on a plat(s) filed for record in the Office of the Clerk of Superior Court of Cherokee County, Georgia. The ownership of each Lot shall include, and there shall pass with the title to each Lot as an appurtenance thereto, whether or not separately described, all of the rights and interest of an Owner in the Common Property, as herein provided, together with membership in the Association.

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

1.17 "Mortgagee" means the holder of a Mortgage.

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

1.19 "Owner" means the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.

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

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

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

## Article 2

### Property Subject To This Declaration

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

2.2 Unilateral Annexation By Declarant. As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time at any time until ten (10) years after the recording of this Declaration to subject all or any portion of the real property described in Exhibit "B" attached hereto and by this reference incorporated herein, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the county in which the property to be annexed is located a Supplementary Declaration describing the property being subjected. Declarant intends to annex hereto the property contained in Declarant's land plan for the development as amended from time to time which property is a portion of the property described in Exhibit "B". However, inclusion of property on Declarant's land plan or in Exhibit "B" shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land plan bar Declarant from subjecting such property to the Declaration. Any annexation shall be effective upon the filing for record of a Supplementary Declaration unless a later effective date is provided therein. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of existing Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property. If any land is not subjected to this Declaration, Declarant's

reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

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

2.4 Withdrawal of Property. Declarant reserves the right to amend this Declaration so long as it has a right to annex additional property pursuant to this Article for the purpose of removing any portion of the Community then owned by Declarant or the Association from the coverage of this Declaration, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Community, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community.

2.5 Additional Covenants, Restrictions and Easements. The Declarant may subject any portion of the property submitted to this Declaration initially or by Supplementary Declaration to additional covenants, restrictions and easements and/or modify the applicability of the covenants, restrictions and easements contained in this Declaration as to such property.

### Article 3 Association Membership and Voting Rights

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

3.2 Voting. Members shall be entitled to one vote for each Lot owned. When more than one Person holds an ownership interest in a Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary prior to any meeting or referendum. The

vote attributable to a Lot shall be suspended in the event more than one Person seeks to exercise it. The Board of Directors may suspend the voting rights of an Owner for any period during which any past due assessment against any Lot of the Owner remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws or rules and regulations.

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

#### Article 4 Assessments

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

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

4.3 General Assessments. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year. The Board shall cause the budget and the assessments to be levied against each Lot for the year to be delivered to each member at least thirty (30) days prior to the due date of any general assessment. The budget and the assessment shall become effective unless disapproved at a meeting by a majority of the Total Association Vote and the Declarant. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for any period, then and until such time as a budget shall have been determined, as provided herein, the budget in effect shall continue. General assessments shall be levied equally on all similarly situated Lots and shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the assessment shall be paid in one annual installment. General assessments include any sums the Board determines necessary for the continued ownership, operation and maintenance of the Common Property, operating expenses of the Association, payment for any items of betterment and the establishment of reserve funds as the Board shall deem proper. General assessments may include, without limitation, sums for property taxes, insurance premiums, legal and accounting fees, management fees, charges for utilities, cleaning and janitor services, landscape maintenance, expenses and liabilities incurred as provided herein and in the Equestrian Trail Easement and Use Agreement and in the Articles of Incorporation and Bylaws for indemnification of officers and directors and in connection with the enforcement of rights and duties of the Association against Owners and others.

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

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

4.6 Subordination of Liens to Mortgages. The lien of all assessments authorized herein is hereby made subordinate to the lien of any first Mortgage placed on a Lot if, but only if, all assessments and charges with respect to such Lot authorized herein having a due date on or prior to the date of the Mortgage as filed of record have been paid. The lien hereby subordinated is



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

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

4.8 Date of Commencement of Assessments. Assessments shall commence when the Board of Directors first determines a budget and levies assessments. The assessments provided for herein shall commence as to a Lot on the first to occur of the date that the Lot is first

occupied for residential purposes; or is conveyed by Declarant or Approved Builder to an owner who is not an Approved Builder or successor Declarant acquiring such Lot in the ordinary course of business. A Lot shall be deemed to be occupied for residential purposes when it has been improved with a dwelling and has been conveyed to an owner who intends to occupy the dwelling, or, if the dwelling is occupied as a residence before such conveyance, the date of such occupancy.

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

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

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

4.12 Initiation Fee. Upon conveyance of title to a Lot to the first Owner, other than the Declarant or a builder approved by the Declarant, an initiation fee in the amount of one-half (1/2) of the total general assessment for the Lot for such year shall be collected from the purchaser at the closing of such transaction and paid to the Association. The initiation fee shall constitute a specific assessment against the Lot, shall be in addition to, not in lieu of, the annual general assessment and shall not be considered an advance payment of such assessment. The initiation fee may be used by the Association for any purpose, including, without limitation, for the payment of operating expenses of the Association and other expenses incurred by the Association pursuant to the provisions of this Declaration.

## Article 5

Maintenance; Common Property

5.1 Association's Responsibility. The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair and replacement of all landscaping and improvements situated on the Common Property. The Association shall also maintain (whether or not constituting Common Property): (a) all Community entry features, including entry area landscaping and any irrigation system and the expenses for water and electricity, if any, provided to all such entry features whether or not such entry features are on a Lot, privately owned property or public right-of-way; (b) all storm water detention/retention ponds and storm water drainage facilities serving the Community, if and to the extent such responsibility has not been assumed on an ongoing basis by a local governmental entity; (c) Community landscaping or Community fencing originally installed by Declarant or an Approved Builder, if any, whether or not such landscaping or fencing is on a Lot, privately owned property or public right-of-way; (d) all street medians and islands located in the Community, if and to the extent such are not maintained on an ongoing basis by a government body; (e) any equestrian paths or trails or equestrian-related facilities located in the Community, if and to the extent such are not maintained on an ongoing basis by the Equestrian Facility Owner; (f) all Community greenbelt and open spaces, if and to the extent such are not maintained on an ongoing basis by a government body; and (g) all Community recreational facilities. In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Community and to enter into easements and covenant to share costs agreements regarding such property, where the Board has determined that such action would benefit the Owners. In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the Occupants, family, guests, lessees or invitees of an Owner, then the Association may perform such maintenance, repair or replacement and all costs thereof, not paid for by insurance, shall be assessed against the Owner as a specific assessment. All maintenance by the Association shall be performed consistent with the Community-Wide Standard. Any common irrigation system installed by the Declarant or the Association shall be Common Property, operated, maintained, repaired and replaced by the Association. The deed of conveyance of any Lot shall not include any right, title or interest in such irrigation system, if any. The Association shall not be liable for injury or damage to Person or property: (x) caused by the elements or by an Owner or any other Person; (y) resulting from rain or other surface water which may leak or flow from any portion of the Common Property; or (z) caused by any street, pipe, plumbing, drain, lake, dam, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair.

5.2 Owner's Responsibility. Except for maintenance performed on a Lot by the Association pursuant to Section 5.1, if any, all maintenance of the Lot and all structures, landscaping, and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Lot in a manner consistent with the Community-Wide Standard and this Declaration. Such maintenance obligation shall include, without limitation, the following: prompt removal of all litter, trash, refuse, and waste; lawn mowing on a regular basis; tree and shrub pruning; watering landscaped areas; keeping improvements, and exterior lighting

in good repair and working order; keeping lawn and garden areas alive, free of weeds, and attractive; keeping driveways in good repair; complying with all governmental health and police requirements; maintenance of grading and storm water drainage as originally established on the Lot; and repair of exterior damages to improvements. In the event that the Board of Directors determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair or replacement, or, in the event that such maintenance, repair or replacement is not capable of completion within a ten-day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair or replacement and all costs thereof shall be assessed against the Owner and the Lot as a specific assessment. This provision shall not apply to any Lot(s) owned by the Declarant or an Approved Builder, unless improved with a dwelling and occupied as a residence.

### 5.3 Conveyance of Common Property by Declarant to Association; No Implied Rights.

Declarant may transfer or convey to the Association at any time and from time to time any personal property and any interest in improved or unimproved real property. Such conveyance shall be deemed to be accepted by the Association upon delivery of any personal property or upon recordation of an instrument of conveyance of any interest in real property, and the property shall thereafter be Common Property to be used and, if and as provided in Section 5.1 hereof, maintained by the Association for the benefit of its members. So long as Declarant owns any property primarily for development and/or sale in the Community or Declarant has the right unilaterally to annex additional property to the Declaration, Declarant may, upon written notice to the Association, require the reconveyance by the Association to Declarant of any Common Property or any portion thereof, improved or unimproved, at no charge to Declarant, without a vote of the Owners/members of the Association, if the Common Property or portion thereof is: (i) found by Declarant to have been conveyed in error, (ii) needed by Declarant to make adjustments in property boundary lines, or (iii) reasonably determined by Declarant to be needed by Declarant due to changes in the overall scheme of development for the Community. The Association hereby constitutes and appoints Declarant as its agent and attorney-in-fact to accept/make on behalf of the Association any such conveyance and reconveyances and to execute on behalf of the Association any and all documents, including, without limitation, deeds and transfer tax declaration forms, necessary or convenient to effectuate and document any such conveyances and reconveyances, and all acts of such attorney-in-fact are hereby ratified. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise. The Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section and shall have no duty or obligation to convey any property or property rights to the Association regardless of whether or not any such property has been made available for the use of Owners. The Declarant may reserve, by lease, license, easement or otherwise such rights of use and enjoyment in and to all or any portion of the property so conveyed as Declarant may reasonably require so long as such

reservation is not materially inconsistent with the overall scheme of development for the Community. Neither the recordation of any subdivision plat nor the use by the Owners or maintenance by the Association of any property shall create any rights, easements or licenses, in the Association or the Owners, express or implied, unless and until any such property rights, easements or licenses are conveyed by the Declarant or the owner of such property to the Association or the Owners, as the case may be, by an instrument recorded in the Office of the Clerk of Superior Court of Cherokee County, Georgia.

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

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

5.6 Liability. Owners, Occupants and their guests shall use the Common Property at their own risk and shall assume sole responsibility for their personal belongings used or stored on the Common Property. The Association, the Declarant and their respective officers, directors, employees, representatives and agents shall not be held liable for personal injury to any person, nor for loss or damage to personal belongings used or stored on the Common Property.

5.7 Changes in Boundaries. Declarant expressly reserves for itself and its successors and assigns the right to change and realign the boundaries of any Lots owned by Declarant and, if Declarant is not the Equestrian Facility Owner, with the written consent of such Owner, the Equestrian Facility Property, including the realignment of boundaries between adjacent Lots owned by Declarant.

#### Article 6 Architectural Standards

6.1 General. No exterior construction, alteration or addition of any improvements of any nature whatsoever (including, without limitation, staking, clearing, excavation, grading, filling, construction of impervious surface, building, exterior alteration of existing improvements, change in the exterior color of any existing improvement and planting and removal of landscaping materials), shall be commenced or placed upon any part of the Community unless, installed by the Declarant or an affiliate of the Declarant, approved in accordance with this Article, or otherwise expressly permitted under this Declaration. Any Owner may remodel, paint or redecorate the interior of structures on the Lot without approval hereunder. However,

modifications to the interior of porches, patios and similar portions of a structure visible from outside the Lot shall be subject to approval. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of the Declarant, affiliates of the Declarant, nor to improvements to the Common Property by or on behalf of the Association. Any Approved Builder may submit its standard plans for approval by Declarant hereunder, which approval will not be unreasonably withheld, and thereafter no further approval shall be required under this Article for such Approved Builder to construct improvements on Lots consistent with the approved standard plans. This Article may not be amended without the written consent of the Declarant until (a) the Declarant no longer has the right to unilaterally annex additional property to the Community; and (b) each Lot has been improved with a dwelling for which a certificate of occupancy has been issued.

**6.2 Guidelines and Procedures.** Except as provided above, no exterior construction, addition or alteration shall be made unless and until plans and specifications shall have been submitted in writing to and approved by the Declarant. Such plans and specifications shall be of sufficient detail to allow the Declarant to make its review and to the extent required by the Declarant shall show the nature, kind, shape, height, materials and location of the proposed improvement. The Declarant may adopt written design and development guidelines and application and review procedures, which may provide for a review fee. The Declarant shall have sole and full authority to prepare and to amend, from time to time at its sole discretion and without notice, the architectural guidelines. The Declarant shall make the architectural guidelines available to Owners and builders who seek to engage in construction upon all or any portion of the Community and such Owners and builders shall conduct their operations strictly in accordance therewith. If the Declarant fails to approve or to disapprove submitted plans and specifications within thirty (30) days after receipt of all required plans and specifications, such approval shall be deemed to have been given. As a condition of approval under this Article, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance to and on any improvement, change, modification, addition or alteration. In the discretion of the Declarant, an Owner may be required to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest. The Declarant shall be the sole arbiter of such plans and may withhold approval for any reason, including, without limitation, purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. The Declarant and its representatives shall have the right, during reasonable hours and after reasonable notice, to enter upon any property in the Community to inspect for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such Persons shall not be deemed guilty of trespass by reason of such entry. If construction does not commence on a project for which plans have been approved within twelve (12) months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to resubmit the plans to the Declarant for reconsideration.

**6.3 Limitation of Liability.** Plans and specifications are not approved for engineering or structural design or quality of materials and by approving such plans and specifications the Declarant assumes no liability or responsibility therefor or for any defect in any structure

constructed from such plans and specifications. Neither Declarant, the Association, nor the officers, directors, members, employees and agents of any of them shall be liable in damages to anyone submitting plans and specifications to any of them for approval or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every Person who submits plans and specifications and every Owner agrees that such Person or Owner will not bring any action or suit against Declarant, the Association or the officers, directors, members, employees and agents of any of them to recover any damages and hereby releases, remises, quitclaims and covenants not to sue for all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

6.4 No Waiver. The approval of the Declarant of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring approval or consent of the Declarant, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications or drawings or matters whatever subsequently or additionally submitted for approval or consent.

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

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

Declarant, in the event of noncompliance with this Article, the Declarant may record in the appropriate land records a notice of violation hereunder naming the violating Owner. In addition to the foregoing, the Declarant shall have the authority and standing to pursue any and all remedies available at law and equity to enforce the provisions of this Article.

6.7 Architectural Review Committee. Until (a) the Declarant no longer has the right to unilaterally annex additional property to the Community; and (b) each Lot has been improved with a dwelling for which a certificate of occupancy has been issued, the Declarant shall have the sole right, power and authority under this Article. There shall be no surrender of this right except in a written instrument in recordable form executed by Declarant and recorded in the land records of the Clerk of the Superior Court of the county where this Declaration is recorded. Upon expiration or earlier surrender in writing of all or a portion of such right and authority, the Board of Directors shall appoint an Architectural Review Committee of the Association, which shall then have such jurisdiction over architectural control under this Article as may have been relinquished by the Declarant. The Declarant may in its sole discretion relinquish architectural control as to certain types of improvements or modifications to the Architectural Review Committee while retaining control over all other building and construction in the Community. For example and without limitation, the Declarant may relinquish control over modifications of existing structures to the Architectural Review Committee while retaining all authority to review and approve new home construction. Any right, power or authority of the Declarant which may be relinquished to the Association prior to the termination of the rights of Declarant hereunder shall be by written recorded instrument only and no such right, power or authority shall be relinquished by implication or otherwise. The establishment of an advisory Architectural Review Committee shall not be deemed to be a relinquishment by Declarant of any of its right, power and authority hereunder. After the termination of all rights of Declarant hereunder, the Architectural Review Committee shall have all right, power and authority to review and approve building and construction activity within the Community hereunder and this Article shall then be read and interpreted as if any reference to the Declarant in this Article 6 were a reference to the Architectural Review Committee.

#### Article 7 Use Restrictions and Rules

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

7.2 Residential Use. Each Lot shall be used for residential purposes exclusively. Leasing of a Lot for residential occupancy shall not be considered a business or business activity. No trade or business of any kind may be conducted in or from a Lot, except that the Owner or Occupant in residence at the Lot may conduct business activities within the house so long as the business activity: (a) does not otherwise violate the provisions of the Declaration or Bylaws; (b) is not apparent or detectable by sight, sound or smell from the exterior of the Lot; (c) does not



unduly increase traffic flow or parking congestion; (d) conforms to all zoning requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; and (h) does not threaten the security or safety of other residents of the Community, all as may be determined in each case in the sole discretion of the Board of Directors. The Board may issue rules regarding permitted business activities. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) the activity is engaged in full or part-time; (y) the activity is intended to or does generate a profit; or (z) a license is required for the activity.

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

7.4 Vehicles; Parking. Vehicles shall be parked only in appropriate parking spaces serving the Lot or other designated areas, if any. All parking shall be subject to such reasonable rules and regulations as the Board may adopt from time to time. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, golf carts, trucks, campers, buses, vans and automobiles. The term "parking areas" shall refer to the number of garage parking spaces and the spaces located in the driveway of each Lot. All homes shall contain a garage; carports shall not be permitted. Garages shall be used for parking of vehicles and shall not be used primarily for storage or other purposes. Garage doors should be kept closed at all times, except during times of ingress and egress from the garage. No vehicle may be left upon any portion of the Community, except in a garage or other area designated by the Board, for a period longer than five (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 (5) day period, such vehicle may be removed from the Community by the Board of Directors. Any towed vehicle, boat, personal watercraft, recreational vehicle, motor home, trailer, motorcycle, minibike, scooter, go-cart, golf cart, commercial truck, camper, bus or mobile home regularly stored in the Community or temporarily kept in the Community, except if kept in a garage, for periods longer than twenty-four (24) hours may be removed from the Community by the Board of Directors. Trucks with mounted campers which are used as a primary means of transportation shall not be considered recreational vehicles provided they are used on a regular basis for transportation and the camper is stored out of public view upon

removal. No eighteen wheel trucks or the cabs of such trucks or trucks with a load capacity in excess of three-quarters of a ton shall be parked, kept or stored within the Community except during the time reasonably necessary to provide service or delivery within the Community.

**7.5 Animals and Pets.** No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on any Lot, with the exception of dogs, cats or other usual and common household pets in reasonable number as determined by the Board. No pets shall be kept, bred or maintained for any commercial purpose. No exterior pens for household pets shall be erected or maintained on any Lot unless approved in accordance with the provisions of Article 6 hereof. Dogs shall at all times when outside a Lot be kept on a leash or otherwise under control at all times. All pets shall be registered, licensed and inoculated if and as required by law. Animal control authorities shall be permitted to enter the Community to patrol and remove unlicensed pets. 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 Lot. The Association may require the removal of any animal that presents an actual threat to the health or safety of residents and require abatement of any nuisance or unreasonable source of annoyance.

**7.6 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 Lot. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept 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 Community whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community by other Owners and Occupants. Without limiting the generality of the foregoing, no 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 home shall be permitted, located, used or placed on any Lot, or any portion thereof. 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 Board.

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

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

7.9 Tree Removal. No trees that are more than four inches in diameter at a point 12 inches above the ground shall be removed from a Lot unless approved in accordance with the provisions of Article 6 hereof. However, no ornamental or flowering trees, including, but not limited to, dogwood trees, cottonwood trees, cherry trees or apple trees, regardless of diameter, shall be removed from a Lot unless approved in accordance with the provisions of Article 6 hereof. The Association and Owners shall also comply with all zoning conditions and local ordinances applicable to tree removal. In the event of a conflict between the provisions of this Section and any zoning condition or local ordinance, the more restrictive provision shall govern. This provision shall not apply to the removal of trees by the Declarant.

7.10 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 6 hereof.

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

7.12 Garbage Cans, Woodpiles, Etc. All garbage cans, woodpiles, swimming pool pumps, filters and related equipment, and other similar items shall be located or screened so as to be concealed from view from neighboring streets and property. All rubbish, trash and garbage shall be regularly removed and shall not be allowed to accumulate. Trash, garbage, debris or other waste matter of any kind may not be burned within the Community. No garbage or trash shall be placed on the Common Property, temporarily or otherwise, except as provided herein. Trash and recycling receptacles shall be placed at the curb no earlier than 5:00 p.m. the day before pick up and shall be removed within twenty-four (24) hours. Trash pick up shall also be subject to such reasonable rules and regulations as the Board of Directors may adopt.

7.13 Subdivision of Lot. No Lot shall be subdivided or its boundary lines changed except with the prior written approval in accordance with the provisions of Article 6 hereof. Declarant, however, hereby expressly reserves the right to subdivide and/or revise and re-record

the subdivision plat of any Lot(s) with the consent of the Owner of the affected Lot(s) and to approve the revision and re-recording of any plat of any Lot(s) owned by any builder or developer, including, but not limited to, changing any Lot to Common Property or creating a public or private street over any Lot or property that was formerly a Lot, without the consent of any Person, other than the Owner(s) of such Lot(s).

7.14 Guns. The use of firearms in the Community is prohibited. The term "firearms" includes, without limitation, B-B guns, pellet guns and firearms of all types.

7.15 Fences. No fence or fencing type barrier of any kind shall be placed, erected, allowed or maintained upon any Lot without prior written approval in accordance with the provisions of Article 6 hereof. Guidelines detailing acceptable fence styles or specifications may be issued pursuant to Article 6, but in no event may a chain link or barbed wire fence be approved; provided, however, the Declarant and the Association may erect any type of fence on the Common Property or elsewhere within the Community as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for health and safety of Owners and Occupants.

7.16 Utility Lines. Except as may be permitted under and pursuant to Article 6 hereof, no overhead utility lines, including lines for cable television, shall be installed within the Community.

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

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

7.19 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 6 hereof.

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

7.21 Artificial Vegetation, Gardens, Play Equipment, Exterior Sculpture, Water Features and Similar Items. No artificial vegetation shall be permitted on the exterior of any property. No vegetable garden, hammock, statuary, play equipment (including, without limitation, basketball goals), exterior sculpture, fountains, flags or water features may be erected on any Lot, without the prior written approval in accordance with the provisions of Article 6

hereof and/or compliance with written guidelines established under Article 6 hereof, as applicable.

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

7.23 Clotheslines. No exterior clotheslines of any type shall be permitted upon any Lot.

7.24 Entry Features. Owners shall not alter, remove or add improvements to any entry features or streetscapes constructed on any Lot in connection with the original development of the Community, or any part of any easement area associated therewith without prior approval in accordance with the provisions of Article 6 hereof.

7.25 Equestrian Trails. Except as herein provided, the Equestrian Trails within the Community shall be used primarily for the movement and passage of horses, foot traffic and related activities and for the benefit of the Equestrian Facility. Bicycles, roller blades, skate boards, go-carts, minibikes, scooters or motorcycles, with or without electric motors, or similar wheeled means of transportation or recreation shall not be permitted on the Equestrian Trails in the Community; provided, however, the restrictions herein shall not prohibit the use of any horse-drawn means of transportation or recreation. The Board of Directors may adopt such reasonable rules as may be deemed appropriate concerning the use of the Equestrian Trails. The Association and/or the Declarant shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Equestrian Trails.

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

7.27 Undisturbed Natural Buffer Area. Land-disturbing activities shall not be conducted within any undisturbed natural buffer area within the Community as shown on the recorded subdivision plats for the Community, nor shall the natural buffer area contain any improvements. Except for the initial construction of utilities by the Declarant, the buffer area shall exist as an undisturbed natural buffer area of existing vegetation. Owners shall not disturb the buffer area in any way including, without limitation, the construction of any improvements in the buffer area, landscaping, or cutting of trees, bushes or other vegetation.

7.28 Wetlands, Ponds and Streams. Except as herein provided, all ponds, lakes, streams, wetlands and storm water retention or detention ponds within the Community shall be aesthetic amenities used for storm water drainage only; no other use thereof, including, without limitation, boating, swimming, ice skating, playing, or use of personal floatation devices, and other recreation, shall be permitted without the written consent of the Board of Directors. Fishing shall be permitted in the lake by Owners, Occupants and guests accompanied by an Owner at

their own risk so long as a license is obtained from the appropriate governmental authority. Except as may be permitted by the Board of Directors and at the boater's own risk, no boats, other than non-motorized boats no greater than twelve feet (12') in length shall be permitted on the lake. The Association and/or the Declarant shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the wetlands, lakes, ponds or streams within the Community. For this purpose, "wetlands" means any area labeled as wetlands on a recorded plat for the Community or otherwise designated as wetlands by the Declarant or the Board of Directors. No Owner shall have any right to place rocks, stones, trash, garbage, sewage, waste water, rubbish, debris, ashes or other refuse in any wetlands, lakes, ponds or streams within the Community, nor to construct, erect or install any dock, pier, docking facility or other similar structure in the same. Applicable governmental agencies, the Declarant and the Association shall have the sole right to control the water level of any body of water located within the Community and to control the growth and eradication of plants, fowls, reptiles, animals, fish and fungi in and around any wetlands, lakes, ponds and streams within the Community. Owners shall have no riparian or littoral rights with respect to the waters in any lake, pond or stream within the Community and shall not be permitted to withdraw water from any lake, pond or stream as may exist in the Community without the prior written consent of the Board of Directors.

7.29 Open Space. A portion of the Common Property designated as Open Space on the recorded subdivision plat(s) for the Community shall be maintained by the Association in an undeveloped state pursuant to Article 23 of the Cherokee County Zoning Ordinance, entitled "Conservation Subdivision." Accordingly, Cherokee County may enforce the maintenance of the Open Space through legally enforceable liens as provided by law. In addition, with regard to the Open Space, as provided in the Conservation Subdivision Ordinance, at least one member of the Association should receive training in wildlife habitat conservation, enhancement and maintenance; upon conveyance of a Lot, each Owner should be given site specific information about indigenous habitat and diversity of species; and the Association should develop a long-term conservation plan for the maintenance of the Open Space, including without limitation, utilization of environmentally friendly landscaping techniques throughout the Community.

#### Article 8

##### Insurance and Casualty Losses

8.1 Insurance on Common Property. The Association shall obtain the insurance coverage necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association ("Fannie Mae"), the U.S. Department of Veterans Affairs ("VA"), and the U.S. Department of Housing and Urban Development ("HUD"), as applicable to the Community. Accordingly, the Board of Directors shall obtain casualty insurance for all insurable improvements, whether or not located on the Common Property, which the Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board of Directors shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, directors' and

officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million (\$1,000,000.00) Dollars. Policies may contain a reasonable deductible as determined by the Board of Directors. In addition to the other insurance required by this Section, the Board of Directors shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors, officers, employees and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the policy is in force, or any lesser amount of fidelity coverage allowable under the applicable Fannie Mae guidelines. Fidelity coverage shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation. All such insurance coverage shall be written in the name of the Association.

**8.2 Individual Insurance.** By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of individual Lots and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry all-risk casualty insurance on the Lot and all structures constructed thereon and a liability policy covering damage or injury occurring on a Lot. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an all-risk policy, if reasonably available and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The policies required hereunder shall be in effect at all times.

**8.3 Damage and Destruction -- Insured by Association.** Immediately after damage or destruction by fire or other casualty to any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, a proposal not to repair or reconstruct such property is approved by at least seventy-five percent (75%) of the Total Association Vote and the Declarant. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the members of the Association, levy a special assessment against the Owner of each Lot. Additional assessments may be made in like manner, as necessary, at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the

improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association. In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, the property shall thereafter be maintained by the Association in a neat and attractive condition.

8.4 Damage and Destruction -- Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, the Owner of a Lot may elect to demolish all improvements on the Lot and remove all debris and ruins therefrom within seventy-five (75) days after such damage occurred and thereafter maintain the Lot in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay all costs which are not covered by insurance proceeds.

#### Article 9 Mortgagee Provisions

9.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number, therefore becoming an "eligible holder"), will be entitled to timely written notice of: (a) any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder; (b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by the Owner of the encumbered Lot of any obligation under the Declaration or Bylaws of the Association which is not cured within sixty (60) days; and (c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

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

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



Article 10  
Easements

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

10.2 Easements for Use and Enjoyment. Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment by the Owner and the Occupants of the Owner's Lot in and to the Common Property which shall be appurtenant to and shall pass with the title to each Lot, subject to the following:

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

(b) the right of the Association to suspend the right of an Owner to use the Community recreational facilities or Common Property for any period during which any past due assessment against any Lot of the Owner remains unpaid;

(c) the right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon and, upon the affirmative vote of the Owners of at least two-thirds (2/3) of the Lots (other than Declarant) and the consent of Declarant, to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant, any Owner, the Equestrian Facility Owner, or the holder of any Mortgage encumbering any Lot or other property located within the Community (Regardless of any contrary provision in this Declaration or in any such Mortgage given by the Association, the exercise of any rights by the holder of such Mortgage in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Lot or other property located within the Community.);

(d) the right of the Association, acting through the Board of Directors and without a vote of the members, to dedicate or grant licenses, permits, easements and rights-of-way over, under and through the Common Property;

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

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

(g) the rights of the Equestrian Facility Owner as provided herein and in the Equestrian Trail Easement and Use Agreement;

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

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

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

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

10.5 Easement for Maintenance. Declarant hereby grants to the Association a perpetual easement across the exterior portions of all Lots as may be reasonably necessary for the maintenance required hereunder. Such maintenance shall be performed with a minimum of

interference to the quiet enjoyment to Lots, reasonable steps shall be taken to protect such property and damage shall be repaired by the Association or its contractors at their sole expense.

**10.6 Easement for Entry Features and Streetscapes.** There is hereby reserved to the Declarant and granted to the Association an easement for ingress, egress, installation, construction landscaping and maintenance of entry features and similar streetscapes for the Community, over and upon any portion of a Lot containing such entry features or streetscapes as may be more fully described on the recorded subdivision plat(s) for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around entry features and streetscapes and the right to grade the land under and around the same.

**10.7 Easement for Drainage.** There is hereby reserved to the Declarant and granted to the Association and the Approved Builder a blanket easement across all Lots for creating and maintaining satisfactory storm water drainage in the Community; provided, however, such easement area shall not include any portion of a Lot within the outer perimeter of the dwelling structure. This easement shall include the right to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill. It is anticipated that increased storm water run off across downstream Lots will result from the construction of impervious surface within or adjacent to the Community. Neither the Declarant, the Association or any builder or Owner constructing according to plans and specifications approved under Article 6 hereof shall have any liability to any Owner due to the increased flow or increased velocity of surface water resulting from approved construction within the Community.

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

right to convert Lots (with the consent of the Owner thereof) to Common Property and/or streets; the right to construct recreational facilities, utilities and other improvements on Common Property; the right to carry on sales and promotional activities in the Community; and the right to construct and operate business offices, signs, construction trailers, model residences and sales offices. Declarant and any Approved Builder with the consent of Declarant may use residences, offices or other buildings owned or leased by Declarant or such Approved Builder as model residences and sales offices and may also use Community recreational facilities as a sales office without charge. This Section shall not be amended without the Declarant's written consent until the Declarant's rights hereunder have terminated as herein provided.

**10.9 Utility Easements; Easements for Equestrian Facility Property.** There is hereby reserved for the benefit of Declarant, the Equestrian Facility Owner, the Association and their respective properties and their respective successors and assigns, the alienable, transferable and perpetual right and easement, as well as the power to grant and accept easements to and from Cherokee County, Georgia or any other public authority or agency, public service district, public or private utility or other person upon, over, under and across (i) all of the Common Property and (ii) those portions of all Lots as are reasonably necessary for the purpose of installing, replacing, repairing, maintaining and using all utilities, including, but not limited to, storm sewers, dams, drainage systems, lakes and retention ponds, fences, paths and trails, and facilities for the Community, the Equestrian Facility Property or any portions thereof, and electrical, gas, telephone, water and sewer lines, provided that such easements shall not unreasonably affect the developability, marketability or value of any such Lot. Such easements may be granted or accepted in the sole discretion of the Declarant, its successors and assigns; provided that Declarant, its successors and assigns, shall have no obligation to grant or accept such easements. To the extent possible, all utility lines and facilities serving the Community and the Equestrian Facility Property and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier of services, with respect to the portions of the Community so encumbered, (i) to erect and maintain pipes, lines, manholes, pumps and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes or shrubbery, (iii) to grade, excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and systems; provided, however, that such utility company or other supplier or servicer shall take reasonable actions to repair any damage caused by such utility company or other supplier or servicer during the exercise of any rights conveyed under any easement granted hereunder.

#### Article 11

##### Use of Recreational Facilities by Nonmembers

**11.1 Rights Reserved by Declarant.** So long as the Declarant owns any property for development and/or sale in the Community or has the right to annex additional property to the Community, Declarant shall have the right to grant to Persons who are not members of the Association the right to use the Community recreational facilities. The extent and duration of nonmember use and the fee to be charged therefor shall be determined solely by Declarant. The Declarant may grant nonmember use rights to Persons on a nonrenewable annual basis or as an easement appurtenant to such Persons' residential real property so that such use rights shall

automatically inure to the benefit of both the original grantees and their respective successors-in-title to such real property. Nonmember user fees shall be paid to the Association. Unless otherwise established by the Board of Directors, all fees shall be paid in one annual installment. The amount of such annual payment may be increased each year by the Board so long as the annual fee does not exceed the annual general assessment levied against members of the Association. Any use rights granted to nonmembers may not be terminated by the Association so long as the terms and conditions imposed upon nonmember use by Declarant are complied with by the nonmember user.

**11.2 Right and Easement of Use.** Declarant hereby expressly reserves unto itself, its successors and assigns a non-exclusive, perpetual right, privilege and easement with respect to the Community for the benefit of Declarant, its successors, assigns and the above discussed nonmember users, over, under, in and/or on the Community (including, without limitation, the above described recreational facilities), without obligation and without further charge to the foregoing, for the purposes of taking all actions related to or connected with the granting of nonmember use and the use of Community recreational facilities by such nonmembers as described above. Such right, privilege and easement shall include, without limitation, the right of access, ingress, use and egress to and from the above described recreational facilities and the right of access, ingress to, use and egress from for vehicular and pedestrian traffic over, under, on and across the Community roads, parking areas and walkways.

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

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

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

Article 12  
Equestrian Facility Provisions

12.1 Equestrian Facility. An Equestrian Facility has been constructed adjacent to the Community. The Equestrian Facility is a private business, separate and distinct from the Association, and governed by its own rules, regulations and requirements. The Equestrian Facility and the Equestrian Facility Property are not (and are not expected in the future to be) part of the Common Property, and neither the Association nor any Owner shall have any right, easement or privilege in and to the Equestrian Facility or the amenities contained therein, including the right to enter upon or use the Equestrian Facility, except under such conditions and requirements as may be established by the Equestrian Facility Owner from time to time. All other terms and conditions of membership status and the rights, privileges and obligations appurtenant thereto shall be determined by the Equestrian Facility Owner.

12.2 Ownership and Operation of Equestrian Facility. No representations or warranties have been or are made by the Declarant with regard to the continuing existence, ownership or operation of the Equestrian Facility. Further, the ownership and/or operation of the Equestrian Facility is separate and distinct from Declarant and may change at any time and from time to time, without the consent of the Declarant, the Association or any Owner.

12.3 Assumption of Risk. Each Owner, by purchase of property within the Community, acknowledges the inherent dangers and disadvantages associated with owning property in proximity to an Equestrian Facility and hereby assumes all risks of personal injury or property damage caused by maintenance, operation, and use of the Equestrian Facility, including, without limitation, odors associated with the operation of an Equestrian Facility and any reduction in privacy caused by equestrian traffic on the Equestrian Facility and on the Equestrian Trails. Each Owner agrees that neither Declarant, any successor Declarant, any builder, the Association or their respective successors, successors-in-title, or assigns, or any officer, director or member of any of the foregoing shall be liable to any Owner for any loss, injury, or damage arising out of the existence, use or operation of the Equestrian Facility or the existence of the Equestrian Trails within the Community.

12.4 Notice to Owners Within the Community. NO OWNER OF PROPERTY OR A LOT WITHIN THE COMMUNITY SHALL HAVE ANY RIGHTS IN OR TO THE EQUESTRIAN FACILITY OR OTHER AMENITIES LOCATED ON THE EQUESTRIAN FACILITY PROPERTY OR ANY RECREATIONAL ACTIVITIES OCCURRING THEREON, INCLUDING, BUT NOT LIMITED TO, RIGHTS OF MEMBERSHIP IN OR TO THE EQUESTRIAN FACILITY OR RIGHT OF ACCESS TO OR ACROSS THE EQUESTRIAN FACILITY PROPERTY, UNLESS SUCH RIGHT OR RIGHTS HAVE BEEN GRANTED OR CONVEYED IN WRITING BY THE OWNER(S) OF THE EQUESTRIAN FACILITY PROPERTY, RESPECTIVELY, OR ITS(THEIR) RESPECTIVE SUCCESSORS AND ASSIGNS. THE OWNER(S) OF THE EQUESTRIAN FACILITY PROPERTY SHALL HAVE NO OBLIGATION TO PROVIDE, OR TO CONTINUE THE OPERATION OF, ANY IMPROVEMENTS ON THE EQUESTRIAN FACILITY PROPERTY, INCLUDING, BUT NOT LIMITED TO, AN EQUESTRIAN FACILITY. RIGHTS TO USE THE RECREATIONAL FACILITIES LOCATED ON THE EQUESTRIAN FACILITY PROPERTY

SHALL BE ON SUCH TERMS AND CONDITIONS AS MAY BE PROMULGATED, FROM TIME TO TIME BY THE OWNER(S) OF THE EQUESTRIAN FACILITY, RESPECTIVELY.

Article 13  
General Provisions

13.1 Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws, rules and regulations and use restrictions, as amended or modified from time to time, and with the covenants, conditions, easements and restrictions set forth in this Declaration, the recorded subdivision plat(s) for the Community and in the deed to such Owner's Lot, if any. The Board of Directors may impose fines or other sanctions for violations of the foregoing, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief or both, including, without limitation, reasonable attorney's fees actually incurred, maintainable by the Association, the Declarant or an aggrieved Owner. Failure by the Declarant, the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the right to record in the appropriate land records a notice of violation of the Declaration, Bylaws, rules and regulations, use restrictions or design guidelines and to assess the cost of recording and removing such notice against the Lot of the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

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

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

13.4 Duration. The covenants, conditions, restrictions and easements contained in this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association, the Declarant and any Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent provided by law; provided, however, if and to the extent that, Georgia law limits the period during which

covenants restricting land to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time, any such provision(s) shall be (a) automatically extended for successive periods of twenty (20) years (or the maximum period allowed by applicable law, if less), unless a written instrument signed by the then Owners of at least two-thirds (2/3) of the Lots has been recorded within the year immediately preceding the beginning of a twenty (20) year renewal period agreeing to change such provisions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated to the extent specified therein; or (b) extended, renewed, modified or terminated as otherwise provided herein or by applicable law.

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

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



the Secretary of the Association attached to or incorporated in the amendment, which sworn statement states unequivocally that the consent of the required number of Owners was obtained and that any notices required by this Declaration, the Bylaws, the Articles of Incorporation and Georgia law were given.

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

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

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

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

13.11 Preparer. This Declaration was prepared by David N. Dorough, Jr. and Michael E. Leavey, Dorough & Dorough, LLC, Attorneys at Law, Two Decatur TownCenter, Suite 520, 125 Clairemont Avenue, Decatur, Georgia 30030.

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

13.13 Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities,

then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

13.14 Indemnification. To the fullest extent allowed by the Georgia Nonprofit Corporation Code, and in accordance therewith, the Association shall indemnify every current and former officer, director and committee member against any and all expenses, including, but not limited to, attorney's fees, imposed upon or reasonably incurred by any officer, director or committee member in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director or committee member, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

13.15 Agreements. Subject to the prior approval of Declarant, all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board of Directors, shall be binding upon all Owners, their heirs, legal representatives, successors, assigns and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

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

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

13.18 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least seventy-five percent (75%) of the Total Association Vote and the consent of the Declarant. This Section shall not apply to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided herein, (c) proceedings involving challenges to *ad valorem* taxation, (d) counterclaims brought by the Association in proceedings instituted against it, or (e) actions brought by the

Association against any contractor, vendor, or supplier of goods or services arising out of a contract for goods or services to which the Association is a party. This Section shall not be amended unless such amendment is made unilaterally by the Declarant as provided herein or is approved by the percentage votes necessary to institute proceedings as provided above.

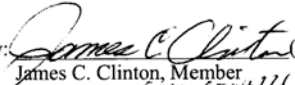
13.19 Security. ALL OWNERS, OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, DO NOT REPRESENT OR WARRANT THAT ANY SAFETY OR SECURITY MEASURES WILL BE IMPLEMENTED IN THE COMMUNITY OR,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

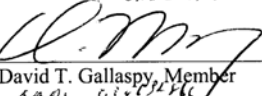
13.20 Conflict. The property subject to this Declaration may have been previously subjected to other covenants appurtenant to the property. In the event of a conflict between the provisions of this Declaration and the provisions of such covenants as may have been adopted earlier in time, then to the extent that the provisions of the covenants adopted earlier in time are still of force and effect and/or cannot be waived by agreement, the earlier provisions shall control.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Declarant herein hereby execute this instrument under seal, this 12<sup>th</sup> day of JANUARY, 2005.

DECLARANT: **SUNRISE TRAILS, LLC**, a Georgia limited liability company

By:  (SEAL)  
James C. Clinton, Member  
EHL 0704116FP

By:  (SEAL)  
David T. Gallaspy, Member  
CARL 0512166

Signed, sealed, and delivered  
in the presence of:

Melissa Gail  
WITNESS  
  
NOTARY PUBLIC

My Commission Expires:

Notary Public, Cherokee County, Georgia  
My Commission Expires March 11, 2008



## EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1134, 1171, 1172, 1205 and 1206 of the 3<sup>rd</sup> District, 2<sup>nd</sup> Section, Cherokee County, Georgia being 67.506 acres as shown on a plat of survey of Sunrise Trails Subdivision by Williams Daniel, III, R.L.S. and being more particularly described as follows:

COMMENCING at the common land lot corner formed at the intersection of Land Lots 1133, 1134, 1171 and 1172 of said district and section; said point of beginning also being the northwest land lot corner of Land Lot 1172 of said district and section; from said point of beginning, run thence north 89 degrees 49 minutes 07 seconds east 385.68 feet to a one-half inch rebar located on the southwest road right-of-way of Pat Rich Road (50 foot right-of-way); run thence south 34 degrees 09 minutes 44 seconds east and along said road right-of-way 59.96 feet to an iron pin; continue thence in a southerly and southeasterly direction and following the curvature of the southwestmost right-of-way of Pat Rich Road a distance of 1284.11 feet to a point located at the intersection formed by the southeast right-of-way of Pat Rich Road and the northwest right-of-way of Arbor Hill Road (80 foot right-of-way); run thence south 41 degrees 05 minutes 22 seconds west and along the northwest right-of-way of Arbor Hill Road 800.86 feet to an iron pin; continue thence south 40 degrees 39 minutes 17 seconds west and continuing along said northwest road right-of-way 195.31 feet to an iron pin; said iron pin located at the northernmost property line of an existing cemetery; run thence north 60 degrees 18 minutes 33 seconds west and along the north line of the cemetery property 124.42 feet to an iron pin; run thence south 35 degrees 56 minutes 58 seconds west and along said cemetery property line 104.73 feet to a point; run thence north 66 degrees 04 minutes 48 seconds west 668.94 feet to an iron pin located at the common land lot corner formed by land lots 1171, 1172, 1205 and 1206 of said district and section; run thence north 49 degrees 28 minutes 05 seconds west 240.85 feet to a point; run thence north 26 degrees 00 minutes 59 seconds east 525.64 feet to an iron pin; run thence north 71 degrees 07 minutes 43 seconds west 76.43 feet to an iron pin; run thence north 72 degrees 23 minutes 14 seconds west 334.32 feet to an iron pin; continue thence north 62 degrees 25 minutes 24 seconds west 71.25 feet to an iron pin; run thence south 26 degrees 23 minutes 07 seconds west 90.32 feet to a point; run thence north 83 degrees 05 minutes 41 seconds west 340.19 feet to an iron pin; run thence south 08 degrees 54 minutes 19 seconds west 322.12 feet to a point; run thence north 68 degrees 47 minutes 28 seconds west 152.63 feet to an iron pin; run thence south 23 degrees 32 minutes 29 seconds east 342.83 feet to a point; run thence south 30 degrees 58 minutes 36 seconds west 333.19 feet to a point; run thence north 83 degrees 36 minutes 04 seconds west 46.27 feet to a point; run thence north 55 degrees 16 minutes 48 seconds west 230 feet to an iron pin located at the common land lot corner formed by Land Lots 1206, 1207, 1170 and 1171 of said district and section; run thence north 02 degrees 16 minutes 03 seconds east 559.59 feet to an iron pin; continue thence north 02 degrees 44 minutes 25 seconds east 838.94 feet to an iron pin; continue thence north 02 degrees 49 minutes 40 seconds east 649.47 feet to an iron pin; run thence south 54 degrees 00 minutes 55 seconds east 1229.43 feet to an iron pin; run thence south 88 degrees 38 minutes 41 seconds east 261.70 feet to an iron pin; run thence north 04 degrees 30 minutes 39 seconds east 57.35 feet to an iron pin and the point of beginning.

EXHIBIT "B"

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

All that tract or parcel of land lying and being in Land Lots 1133, 1134, 1135, 1170,  
1171, 1172, 1205, 1206 and 1207 of the 3rd District, 2nd Section, Cherokee County, Georgia.

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EXHIBIT "C"

BYLAWS  
OF  
ESTATES AT E-QUEST HOMEOWNERS ASSOCIATION, INC.

Prepared By:  
David N. Dorough, Jr.  
DOROUGH & DOROUGH, LLC  
Attorneys at Law  
Two Decatur TownCenter, Suite 520  
125 Clairemont Avenue  
Decatur, Georgia 30030-2551  
(404) 687-9977

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BYLAWS  
OF  
ESTATES AT E-QUEST HOMEOWNERS ASSOCIATION, INC.  
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BYLAWS

OF

ESTATES AT E-QUEST HOMEOWNERS ASSOCIATION, INC.

Article 1

Name, Membership, Applicability and Definitions

1.1 Name. The name of the corporation shall be Estates at E-Quest Homeowners Association, Inc. (hereinafter sometimes referred to as the "Association").

1.2 Membership. The Association shall have one class of membership, as is more fully set forth in that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for Estates at E-Quest (such Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

1.3 Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit.

Article 2

Association: Meetings, Quorum, Voting, Proxies

2.1 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

2.2 Annual Meetings. There shall be an annual meeting of the members at such date, place and time as the Board of Directors shall determine to receive the reports of the outgoing Board of Directors, to install directors for the ensuing year and to transact such other business as may come before the meeting.

2.3 Special Meetings. The President or the Board of Directors may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association upon the delivery of a petition signed and dated by members entitled to cast at least 25% of the Total Association Vote and describing the purpose or purposes for which it is to be held. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose(s) thereof. No business shall be transacted at a special meeting, except those matters that are within the purpose or purposes described in the notice.

2.4 Record Date. The Board of Directors shall fix in advance a record date for a determination of members entitled to notice of and to vote at any meeting of members or any adjournment thereof, or to make a determination of members for any other purpose, such date to

be not more than seventy (70) days before the date on which the particular action requiring such determination of members is to be taken.

2.5 Notice of Meetings. It shall be the duty of the Secretary to mail or to cause to be delivered to the Lot of each member (as shown in the records of the Association as of the record date) a notice of each annual or special meeting of the Association stating the date, time and place where it is to be held and if and to the extent required by the Georgia Nonprofit Corporation Code (O.C.G.A. Section 14-3-101, et seq.) or other applicable law (the "Governing Law"), the purpose(s) thereof. If an Owner wishes notice to be given at an address other than the Lot, the Owner shall designate by notice in writing to the Secretary such other address. Notices shall be mailed or delivered not less than ten (10) days (or if notice is mailed by other than first-class or registered mail, thirty (30) days) nor more than sixty (60) days before the meeting. If any meeting of the members is adjourned to a different date, time or place, notice need not be given of the new date, time or place, if the new date, time or place is announced at the meeting before adjournment. If, however, a new record date is or must be fixed under the Governing Law notice of the adjourned meeting shall be given to persons who are members of record as of the new record date.

2.6 Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, signed by the member, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of lack of notice or defective notice, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

2.7 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.8 Membership List. After the record date for any meeting is established by the Board of Directors, the Secretary shall prepare an alphabetical list of the names and addresses of all of the members who are entitled to notice of the meeting. Beginning at least two business days after notice is given of the meeting for which the list was prepared, the list of members shall be available for inspection by any member or a member's agent or attorney at the Association's principal office or at such other reasonable place as may be specified in the notice. In addition, the list shall be available for inspection at the meeting or any adjournment thereof.

2.9 Voting. The voting rights of the members shall be as set forth in the Articles of Incorporation and the Declaration, and such voting rights are specifically incorporated herein.

2.10 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxy appointment forms shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall

automatically cease upon: (a) receipt of notice by the Secretary of the death or judicially declared incompetence of a member; (b) receipt by the Secretary of written revocation signed by the member; (c) receipt by the Secretary of a subsequent appointment form signed by the member; (d) attendance by the member and voting in person at any meeting; or (e) the expiration of 11 months from the date of the proxy appointment form.

2.11 Quorum. The presence, in person or by proxy, of members entitled to cast at least 25% of the votes entitled to be cast at the meeting shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

2.12 Action Without A Formal Meeting. Any action required or permitted to be approved by the members may be approved without a meeting if one or more consents, in writing, setting forth the action so taken, shall be signed and dated by members (including the Declarant, if the consent of the Declarant is required) holding the voting power required to pass such action at a meeting held on the record date for such action. The record date for such action shall be the date that the first member signs a consent. Such action shall be approved when the Secretary receives a sufficient number of such consents dated within 70 days of the record date for such action. If less than unanimous consent is obtained, the approval shall be effective ten days after the Secretary gives written notice of the approval to all members who did not sign a consent. Each signed consent shall be included in the minutes of meetings of members filed in the permanent records of the Association.

2.13 Action By Written Ballot. Any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked. Approval by written ballot of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. The results of each action by written ballot shall be certified by the Secretary and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

### Article 3

#### Board of Directors: Number, Powers, Meetings

3.1 Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors. Directors shall be natural persons who are 18 years of age or older. Except for directors appointed by the Declarant, each director must reside in the Community and

be a member or the spouse of a member; provided, however, no Person may serve on the Board at the same time with such Person's spouse or any co-Owner or Occupant of such Person's Lot.

3.2 Directors Appointed by Declarant. The Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events shall occur: (a) the expiration of ten (10) years after the date of the recording of the Declaration; (b) the date on which all Lots planned by Declarant to be a part of the Community shall have been improved with a dwelling and conveyed to an Owner for occupancy as a residence; or (c) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. The directors appointed by the Declarant need not be Owners or residents in the Community. The total number of Lots planned by Declarant for the Community shall initially be the number of Lots shown on the Declarant's land use plan for the development as it may be amended from time to time. Inclusion of property on the land use plan shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land use plan bar Declarant from subjecting such property to the Declaration. The final total number of Lots planned for the Community shall be the actual number of Lots shown on the recorded subdivision plats for the Community regardless of any different number of Lots shown from time to time on the land use plan. The Declarant shall notify the Association when the final subdivision plat for the Community has been recorded.

3.3 Number of Directors. During the period that the Declarant has the right to appoint and remove the officers and directors of the Association as provided above, the Board of Directors shall consist of from one to three members as determined by Declarant in writing from time to time. Thereafter, the Board shall consist of three members, who shall be elected as provided below.

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

3.5 Election and Term of Office. After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting (or take action under Section 2.12 or Section 2.13 in lieu of a meeting) and the members shall elect three directors. The members of the Board of Directors shall hold office for one year and shall continue in office until their respective successors shall have been elected and take office. At annual meetings of the membership thereafter (or pursuant to Section 2.12 or Section 2.13 in lieu of a meeting), directors shall be elected. The three candidates receiving the most votes shall be elected.

3.6 Removal of Directors. At any annual, regular or special meeting of the Association, any one or more of the members of the Board of Directors elected by the members may be removed, with or without cause, by a majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. The notice of the meeting shall state that the purpose, or one of the purposes, of the meeting is removal of a director. A director whose removal by the members has been proposed shall be given an opportunity to be heard at

the meeting. Additionally, any director who has three consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than 30 days may be removed by a majority vote of the remaining directors.

3.7 Vacancies. Vacancies in the Board of Directors caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the majority of the remaining directors. Each Person so selected shall serve the unexpired portion of the term.

3.8 Organization Meetings. The first meeting of a newly elected Board of Directors shall be held within ten days after the election at such time and place as the directors may conveniently assemble.

3.9 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, provided that, after the right of Declarant to appoint the directors terminates, at least four such meetings shall be held during each fiscal year with at least one per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

3.10 Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President, Vice President or by any two directors. The notice shall specify the date, time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery (including commercial delivery service) to such director's home or office; (b) written notice by first class mail, postage prepaid; or (c) by telephone communication (including facsimile), either directly to the director or to the director's home or office. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited with the U.S. Postal Service at least four days before the time set for the meeting. Notices given by personal delivery or telephone shall be given at least two days before the day set for the meeting.

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

3.12 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors.

3.13 Compensation. No director shall receive any compensation from the Association for acting as such.

3.14 Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

3.15 Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.16 Action Without A Formal Meeting. Any action required or permitted to be taken at a meeting of the directors may be taken without a meeting if one or more consents, in writing, setting forth the action so taken, shall be signed by a majority of the directors and delivered to the Association for inclusion in the minutes for filing in the corporate records.

3.17 Telephonic Participation. One or more directors may participate in and vote during any meeting of the Board by telephone conference call or any other means of communication by which all directors participating may simultaneously hear each other during the meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

3.18 Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by law, the Declaration, Articles, or these Bylaws directed to be done and exercised by the members. In addition to the duties imposed by these Bylaws 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 member to the common expenses;

(b) making assessments to defray the common expenses and establishing the means and methods of collecting such assessments;

(c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association 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) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the members concerning the Association;
- (i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (j) keeping books with detailed accounts of the receipts and expenditures of the Association and the actions thereof, and specifying the maintenance and repair expenses and any other expenses incurred; and
- (k) authorization of contracts on behalf of the Association.

3.19 Management Agent. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Declarant or an affiliate of the Declarant may be employed as managing agent or manager. The term of any management agreement shall not exceed one year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice.

3.20 Borrowing. The Board of Directors shall have the power to borrow money without the approval of the members of the Association; provided, however, except as otherwise provided in the Declaration, the Board shall obtain membership approval in the same manner as for special assessments, in the event that the total amount of such borrowing exceeds or would exceed ten percent of the annual budget of the Association.

3.21 Fining Procedure. The Board shall not impose a fine (a late charge shall not constitute a fine) unless and until the following procedure is followed:

(a) Written notice shall be delivered to the member by personal delivery at the Lot or first-class or certified mail sent to the address of the member shown on the Association's records, specifying:

(1) the nature of the violation, the fine to be imposed and the date, not less than ten (10) days or, in the event of an unapproved sign, twenty-four (24) hours, from the date of the notice, that the fine will take effect;

(2) that the violator may, within ten days from the date of the notice, request a hearing before the Board regarding the fine imposed;



(3) the name, address and telephone numbers of a person to contact to request a hearing;

(4) that any statements, evidence, and witnesses may be produced at the hearing; and

(5) that all rights to have the fine reconsidered are waived if a hearing is not requested within ten days of the date of the notice.

(b) If a hearing is requested, it shall be held before the Board in executive session, and the violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. Except for the display of unapproved signs, the fine shall run from the date that a decision is made by the Board at the conclusion of the hearing or such later date as the Board may determine.

#### Article 4 Officers

4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Any two or more offices may be held by the same Person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.

4.2 Election, Term of Office, and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association, the officers of the Association shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors following the election of directors. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

4.3 Additional Officers and Agents. The Board of Directors may appoint such other officers, including vice presidents, assistant secretaries and assistant treasurers, and agents as it shall deem necessary. Such officers and agents shall hold their respective offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board of directors.

4.4 Salaries. The officers shall receive no compensation.

4.5 Removal. Except for officers appointed by the Declarant, any officer may be removed, with or without cause, by the Board of Directors.

4.6 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and directors. The immediate supervision of the affairs of the Association shall be vested in the President. It shall be the President's duty to attend to the business of the Association and maintain strict supervision over all of its affairs and interests. The President shall keep the Board of Directors fully advised about the affairs and

conditions of the Association, and shall manage and operate the business of the Association pursuant to and in accordance with such policies as may be prescribed from time to time by the Board of Directors.

4.7 Vice President. The Vice President(s), if any, shall act in the President's absence or disability and shall have all powers, duties, and responsibilities provided for the President when so acting, and shall perform such other duties as shall from time to time be imposed upon any Vice President by the Board or delegated to a Vice President by the President.

4.8 Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors; notify the members and directors of meetings as provided by these bylaws and Georgia law; have custody of the seal of the Association; affix such seal to any instrument requiring the same; attest the signature or certify the incumbency or signature of any officer of the Association; and perform such other duties as the President, or the Board of Directors may prescribe. The Secretary shall perform the duties of the Treasurer of the Association in the absence or disability of the Treasurer.

4.9 Treasurer. The Treasurer shall keep, or cause to be kept, the financial books and records of the Association, and shall faithfully account for the Association's funds, financial assets, and other assets entrusted to the Treasurer's care and custody. The Treasurer shall make such reports as may be necessary to keep the President and the Board of Directors informed at all times as to the financial condition of the Association, and shall perform such other duties as the President, or the Board of Directors may prescribe. The Treasurer shall maintain the money and other assets of the Association in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer may provide for the investment of the money and other assets of the Association consistent with the needs of the Association to disburse such money and assets in the course of the Association's business. The Treasurer shall perform the duties of the Secretary of the Association in the absence or disability of the Secretary.

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

#### Article 5 Committees

Advisory committees to perform such tasks and to serve for such periods as may be designated by the Board or as provided in the Declaration are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the Declaration or resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors. An advisory committee shall not be authorized to exercise any authority of the Board under the Articles of Incorporation, the Declaration, these Bylaws or the Georgia Nonprofit Corporation Code.

Article 6  
Miscellaneous

6.1 Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by resolution of the Board.

6.2 Parliamentary Rules. *Roberts Rules of Order* (current edition) shall govern the conduct of all Association proceedings, when not in conflict with Georgia law, the Articles of Incorporation, the Declaration or these Bylaws.

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

6.4 Amendment. These Bylaws may be amended by the Board of Directors with the consent of the Declarant if such amendment is necessary to: (a) bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) enable any title insurance company to issue title insurance coverage with respect to the Lots subject to the Declaration; (c) enable an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make or purchase Mortgage loans on the Lots subject to the Declaration; (d) enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Lots subject to the Declaration; or (e) comply with the provisions of the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, *et seq.* In addition, these Bylaws may be amended upon the affirmative vote of at least two-thirds (2/3) of the Total Association Vote and the consent of Declarant.

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EXHIBIT "D"

Equestrian Facility Property Description.

All that tract or parcel of land lying and being in the 3rd District, 2nd Section, Cherokee County, Georgia and being a portion of original Land Lot Nos. 1171, 1172 and 1205 and being more particularly described as follows:

TO ASCERTAIN THE BEGINNING POINT of the property herein conveyed begin at an iron pin located in the Southwest corner of original Land Lot 1171, said iron pin marking the common corner of Land Lot Nos. 1170, 1171, 1206 and 1207; thence along the West land lot line of Land Lot 1171 North 02 degrees 03 minutes 47 seconds East a distance of 595.25 feet to an iron pin; thence South 69 degrees 32 minutes 57 seconds East a distance of 100 feet to an iron pin which is the beginning point of the property herein conveyed; thence North 58 degrees 50 minutes 48 seconds East a distance of 401.88 feet to an iron pin; thence south 83 degrees 45 minutes 47 seconds East a distance of 340.12 feet to an iron pin; thence North 25 degrees 49 minutes 08 seconds East a distance of 89.81 feet to an iron pin; thence South 63 degrees 45 minutes 12 seconds East a distance of 71.51 feet to an iron pin; thence South 72 degrees 49 minutes 40 seconds East a distance 410.45 feet to an iron pin; thence South 03 degrees 43 minutes 43 seconds West a distance of 176.08 feet to an iron pin; thence South 58 degrees 19 minutes 33 seconds East a distance of 1,034.96 feet to an iron pin located on the Northwestern right of way of Arbor Hill Road (80 foot right of way); thence along said right of way and following the curvature thereof in a Southwesterly direction a total distance of 195.00 feet to an iron pin; thence North 60 degrees 55 minutes 30 seconds West a distance of 124.38 feet to an iron pin; thence South 35 degrees 14 minutes 30 seconds West a distance of 105.13 feet to an iron pin; thence North 66 degrees 44 minutes 29 seconds West a distance of 669.18 feet to iron pin which is located in the common corner of original Land Lots 1171, 1172, 1205 and 1206; thence North 50 degrees 06 minutes 05 seconds West a distance of 300.34 feet to an iron pin; thence North 69 degrees 32 minutes 57 seconds West a distance of 968.12 feet to the point of beginning.

For a more detailed description of the metes and bounds of the property herein conveyed specific reference is hereby made to a plat of survey by Jerry Thacker & Associates, Registered Surveyors, dated March 9, 1984, revised March 22, 1984 and being recorded in Plat Book 24, Page 84, Cherokee County Records.

LESS AND EXCEPT:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 1171 of the 3<sup>rd</sup> District, 2<sup>nd</sup> Section, Cherokee County, Georgia being more particularly described as follows:

TO FIND THE TRUE POINT OR BEGINNING, commence at the intersection formed by Land Lots 1170, 1171, 1134 and 1135 of said district and section; run thence south 02 degrees 44 minutes 25 seconds west 838.94 feet to an iron pin; run thence south 68 degrees 55 minutes 41 seconds east 99.96 feet to an iron pin and true point of beginning; from said point of beginning, run thence south 68 degrees 55 minutes 41 seconds east 165.22 feet to an iron pin; continue thence south 68 degrees 47 minutes 28 seconds east 152.63 feet to a point; run thence north 08 degrees 54 minutes 19 seconds east 322.12 feet to an iron pin; run thence south 59 degrees 32 minutes 56 seconds west 401.75 feet to the true point of beginning.

ALSO LESS AND EXCEPT:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1171, 1172 and 1205 of the 3<sup>rd</sup> District, 2<sup>nd</sup> Section, Cherokee County, Georgia and being more particularly described as follows:

BEGINNING at an iron pin located on the northwest road right-of-way of Arbor Hill Road (80 foot right-of-way); said point of beginning located south 41 degrees 05 minutes 22 seconds west 880.86 feet (as measured along the northwest right-of-way of Arbor Hill Road) from the intersection of the northwest right-of-way of Arbor Hill Road and the southwest right-of-way of Pat Rich Road (50 foot right-of-way); from said point of beginning, run thence north 57 degrees 39 minutes 59 seconds west 1034.75 feet to an iron pin; run thence north 04 degrees 24 minutes 20 seconds east 175.89 feet to an iron pin; run thence south 26 degrees 00 minutes 59 seconds west 525.64 feet to a point; run thence south 49 degrees 28 minutes 05 seconds east 240.85 feet to an iron pin located at the common land lot corner formed by Land Lots 1171, 1172, 1205 and 1206 of said district and section; continue thence south 66 degrees 04 minutes 48 seconds east 668.94 feet to a point located at the common boundary line between the property herein described and a cemetery; run thence north 35 degrees 56 minutes 58 seconds east and along the cemetery property 104.73 feet to an iron pin; continue thence south 60 degrees 18 minutes 33 seconds east and continuing along the boundary of the cemetery property 124.42 feet to an iron pin located at the northwest right-of-way of Arbor Hill Road; run thence north 40 degrees 39 minutes 17 seconds east and along the northwest right-of-way of Arbor Hill Road 195.31 feet to an iron pin and the point of beginning.

THE ABOVE-DESCRIBED PROPERTY is conveyed subject to a perpetual easement for vehicular and pedestrian travel as conveyed to Cherokee Bank, N.A. as part of a security deed encumbering contiguous property dated October 30, 2003.

UPON RECORDING RETURN TO:

David N. Dorough, Jr.  
Dorough & Dorough, LLC  
Two Decatur TownCenter, Suite 520  
125 Clairemont Avenue  
Decatur, Georgia 30030  
(404) 687-9977

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**EQUESTRIAN TRAIL EASEMENT AND USE AGREEMENT**

THIS EQUESTRIAN TRAIL EASEMENT AND USE AGREEMENT ("hereinafter referred to as the "Agreement") is made this 12<sup>TH</sup> day of JANUARY, 2005, by and between **SUNRISE TRAILS, LLC**, a Georgia limited liability company (hereinafter sometimes referred to as "Declarant"); **ESTATES AT E-QUEST HOMEOWNERS ASSOCIATION, INC.**, a Georgia nonprofit corporation (hereinafter sometimes referred to as the "Association"); and **VJL ENTERPRISES, INC.**, a Georgia corporation (hereinafter sometimes referred to as "VJL") (Declarant, the Association and VJL are hereinafter sometimes referred to individually as "Party" and collectively as "Parties").

**WITNESSETH**

**WHEREAS**, Declarant is the owner of certain real property located in Land Lots 1134, 1171, 1172, 1205 and 1206 of the 3rd District, 2<sup>nd</sup> Section, Cherokee County, Georgia which is described on Exhibit "A" attached hereto and by this reference is incorporated herein (hereinafter referred to as the "Estates at E-QUEST Property"); and

**WHEREAS**, VJL is the owner of certain real property located in Land Lot 1171 of the 3rd District, 2<sup>nd</sup> Section, Cherokee County, Georgia which is described on Exhibit "B" attached hereto and by this reference is incorporated herein (hereinafter referred to as the "Equestrian Facility Property"); and

**WHEREAS**, Declarant executed that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for Estates at E-QUEST which was recorded

contemporaneously herewith in the Cherokee County, Georgia land records (as amended from time to time is hereinafter referred to as the "Declaration"); and

**WHEREAS**, the Association is a nonprofit corporation organized under the Georgia Nonprofit Code to be the Association named in the Declaration to have the power and authority set forth therein; and

**WHEREAS**, a portion of the property which constitutes the Estates at E-QUEST Community includes trails and paths installed and constructed on the Common Property of the Estates at E-QUEST Property as "Equestrian Trails," as the same are defined in Section 1.14 of the Declaration and further described in Section 7.25 of the Declaration, to be used primarily for the movement and passage of horses and related activities (hereinafter referred to as the "Equestrian Trails"); and

**WHEREAS**, VJL operates on the Equestrian Facility Property a fee-based facility which engages in and offers to the general public services which include, among other things, the boarding, care, training, exhibition and education of and related to horses (hereinafter referred to as the "Equestrian Facility"); and

**WHEREAS**, pursuant to the terms of the Declaration, Declarant has the right to grant to certain persons an easement within the Estates at E-QUEST Community upon, over, under and across (i) all of the Common Property and (ii) those portions of all Lots as are reasonably necessary for the purpose of installing, replacing, repairing, maintaining and using all utilities, including, but not limited to, fences, paths, trails and facilities for the Community, the Equestrian Facility Property or any portions thereof; and

**WHEREAS**, Declarant desires to grant to VJL a non-exclusive perpetual right and easement appurtenant to the Equestrian Facility Property upon, over, under and across the Equestrian Trails within the Estates at E-Quest Community; and

**WHEREAS**, VJL desires to offer to Declarant and the Owners within the Estates at E-QUEST Community certain benefits with regard to the services offered by the Equestrian Facility; and

**WHEREAS**, the Parties desire to establish certain easements to benefit and/or burden the Estates at E-QUEST Property and the Equestrian Facility Property; and

**WHEREAS**, the Parties wish to provide for the continued maintenance of the improvements and the easement areas so established;

**NOW THEREFORE**, for and in consideration of the foregoing mutual promises and covenants and other valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, Declarant, the Association and VJL hereby agree as follows:

1. Equestrian Trail Easement. Declarant as owner of the Estates at E-QUEST Property hereby grants, conveys, declares, creates, imposes and establishes a perpetual, non-

exclusive joint and reciprocal easement in perpetuity for the installation, maintenance, repair, replacement, use and enjoyment of Equestrian Trails, as the same are described in the Declaration, and related facilities, including without limitation, fencing adjacent thereto, over and across a portion of the Estates at E-QUEST Property consisting of said Equestrian Trails and such adjacent portions of the Common Property as are necessary for the continued installation, maintenance, repair, replacement of the same as provided herein (the "Equestrian Trail Easement Area"). The Equestrian Trails within the Equestrian Trail Easement Area shall be used primarily for the movement and passage of horses and related activities and for the benefit of the Equestrian Facility. Bicycles, roller blades, skate boards, go-carts, minibikes, scooters or motorcycles, with or without electric motors, or similar wheeled means of transportation or recreation shall not be permitted on the Equestrian Trail Easement Area; provided, however, the restrictions herein shall not prohibit the use of any horse-drawn means of transportation or recreation. Use of such Equestrian Trail Easement Area shall be subject to such further reasonable rules and regulations as the Board of Directors of the Association may adopt from time to time.

2. Maintenance. So long as this Agreement is in effect, the improvements constructed within the Equestrian Trail Easement Area shall be maintained, repaired and replaced by VJL, its successors and assigns, at its sole expense. Such maintenance shall include: (i) keeping the Equestrian Trail Easement Area free of any obstructions at all times, except in the event of emergencies; (ii) removing trash and debris from the Equestrian Trail Easement Area; and (iii) resurfacing, repairing and replacing surfaces of the Equestrian Trails installed within the Equestrian Trail Easement Area, corral-style fencing adjacent to the Equestrian Trail Easement Area, signs adjacent to or relating to the Equestrian Trail Easement Area and other markings, but shall not include: (a) installation or maintenance of any proprietary sign serving improvements constructed on the Estates at E-QUEST Property or any other such improvements, paths or trails constructed by the Association on the Estates at E-QUEST Property; or (b) maintenance of any portion of any property other than the Equestrian Trail Easement Area. Provided, however, in the event that the need for maintenance, repair, or replacement is caused through the willful or negligent act of any owner(s) of either a portion of the Estates at E-QUEST Property or the Equestrian Facility Property, their respective successors or assigns, or their respective lessees or invitees, then such maintenance, repair or replacement and all costs thereof shall be made at the sole expense of the responsible Party.

Notwithstanding any provision herein to the contrary, except with regard to any maintenance, repair or replacement necessitated by the willful or negligent act of any owner(s) of any portion of the Equestrian Facility Property as provided above, the Association shall be responsible for the costs and expenses of any single occurrence of maintenance, repair or replacement performed by VJL on the Equestrian Trail Easement Area or any portion thereof in excess of five hundred and no/100 dollars (\$500.00). In such event, VJL shall ascertain, or cause to be ascertained, the costs and expenses of such required maintenance, repair and replacement for the Equestrian Trail Easement Area in excess of five hundred and no/100 dollars (\$500.00), and shall bill to the Association the full amount of said costs and expenses incurred by VJL. Such billings shall be provided to the Board of Directors of the Association on a quarterly or less frequent basis as from time to time deemed appropriate by VJL, but such billings shall be made no less frequently than annually, if applicable. All such billings shall be accompanied by such reasonable detail as may be required by the Association to establish the nature of expenditures for



which such billings are made. In addition, the said expenditures must be of a reasonable amount for the work completed. Notwithstanding anything herein to the contrary in this Section 2, in the event that the Consumer Price Index for All Urban Consumers for the month of October, 2004 ("Base CPI") shall be less than the Consumer Price Index for any October subsequent thereto, the Association shall be responsible for the costs and expenses of any single occurrence of maintenance, repair or replacement performed by VJL on the Equestrian Trail Easement Area or any portion thereof in excess of an amount equal to the product obtained by multiplying five hundred and no/100 dollars (\$500.00) in the then-current year by the percentage by which the Consumer Price Index for such October exceeds the Base CPI. If the manner in which the Consumer Price Index is determined by the Department of Labor shall be substantially revised, and the effect of that revision can be reasonably determined or approximated, an adjustment shall be made in such revised index and in the Base CPI in order to produce results equivalent, as nearly as possible, to those which would have been obtained if the Consumer Price Index had not been revised. In no event shall any adjustment reduce the amount for which the Association is responsible under this Section 2 below five hundred and no/100 dollars (\$500.00).

3. User Fee Benefit. VJL as the owner of the Equestrian Facility Property and the operator of the Equestrian Facility thereon hereby grants to Declarant and to the members of the Estates at E-Quest Homeowners Association, Inc. a user-fee benefit in and to the Equestrian Facility by which VJL covenants to provide with each primary enrollment for an annual contract for horse boarding services by the Equestrian Facility six (6) months of horse boarding services for one (1) horse occupying one (1) stall at the sole expense of VJL; provided, however, such benefit shall be offered only on one (1) occasion for each Lot within the Estates at E-QUEST Property.

4. No Membership or Voting Rights. This Agreement shall in no event be construed to grant to VJL any other rights or privileges of membership in the Association, including but not limited to, the right to hold office or the voting rights enjoyed by Owners of Lots in Estates at E-QUEST as defined in the Declaration. VJL shall not be a member of the Association by virtue of owning the Equestrian Facility Property. Nor shall this Agreement be construed to grant to Declarant or any member of the Association any other right, easement or privilege in and to the Equestrian Facility or the amenities contained therein, including the right to enter upon or use the Equestrian Facility facilities, except under such conditions and requirements as may be established by the Equestrian Facility Owner from time to time. All other terms and conditions of user status and the rights, privileges and obligations appurtenant thereto shall be determined by the Equestrian Facility Owner.

5. Indemnification. The Association and/or the Declarant shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Equestrian Trails or the Equestrian Trail Easement Area. VJL and its officers, directors, members, employees, clients, guests and agents of any of them shall exercise the use privileges granted in this Agreement at their own risk, and by acceptance and exercise of such privileges agree that VJL and its officers, directors, members, employees, clients, guests and agents of any of them shall never claim any damages against Declarant or the Association for any injuries or damages suffered on account of the exercise of such use privileges, regardless of the fault or negligence of Declarant or the Association, and VJL shall indemnify Declarant and the

Association against all liability for damages and expenses resulting from, arising out of, or in any way connected with, the exercise of such use privileges.

6. Easements Perpetual. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors, heirs, grantees, assigns and successors in title. All of the easements, rights and privileges set forth herein shall be appurtenant to and shall run with the title to the Estates at E-QUEST Property and the Equestrian Facility Property, perpetually and are intended to be easements and not covenants restricting land to certain uses. Any conveyance of all or any portion of the Estates at E-QUEST Property and the Equestrian Facility Property shall also convey the rights, privileges, duties and obligations contained in this Agreement regardless of whether or not specific mention is made of this Agreement and regardless of whether or not a specific conveyance is made of, or subject to, the rights, privileges, duties and obligations herein; provided, however, VJL's easement appurtenant granted in accordance with the terms of this Agreement and the Declaration shall automatically terminate and be extinguished and be of no further force and effect upon the happening of the date upon which the Equestrian Facility Property is no longer used for the purposes of operating an Equestrian Facility.

7. Assignment. This Agreement may be amended upon the written approval of the owner(s) of the Estates at E-QUEST Property and the Equestrian Facility Property. For the purposes of this provision the owner of the Estates at E-QUEST Property shall be Declarant so long as Declarant owns at least one Lot in the Estates at E-QUEST Property and the owner of the Equestrian Facility Property shall be VJL and its successors-in-title to the Equestrian Facility Property. Thereafter, this Agreement may be amended upon the affirmative vote or written consent of members of the Estates at E-QUEST Homeowners Association, Inc. to which at least two-thirds (2/3) of the votes in the Association appertain and the approval of the owner(s) of the Equestrian Facility Property. The execution of an amendment by the president of the Association containing the affidavit by such officer that the amendment was properly approved shall be prima facie evidence of the approval by the requisite number of members within the Association. Amendments to this Agreement shall become effective upon the filing for record in the Office of the Clerk of Superior Court of Cherokee County, Georgia unless a later effective date is specified therein.

8. Compliance With Governmental Authority. Each Party, and their respective successors and assigns agrees to comply with all laws, ordinances, statutes, rules and regulations of any governmental authority relating to the use, condition, or maintenance of the property described herein, and in the event that any expense is required to affect such compliance, such expense shall be considered a general maintenance expense for which the cost shall be shared as provided herein. Provided, however, in the event that any non-compliance is caused through the willful or negligent act of one of the Parties, their successors or assigns, then all costs to affect such compliance shall be at the sole expense of the responsible Party.

9. Provisions Severable. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Agreement to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision

which can be given effect without the invalid provision or application, and, to this end, the provisions of this Agreement are declared to be severable.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall constitute one and the same agreement.

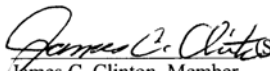
11. Governing Law. This Agreement shall be governed in accordance with the laws of the State of Georgia.


12. Headings. The paragraph headings in this Agreement are for convenience only, shall in no way define or limit the scope or content of this Agreement, and shall not be considered in any construction or interpretation of this Agreement or any part hereof.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

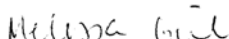
IN WITNESS WHEREOF, the undersigned have set their hands and seals hereto as of the day and year first above written.

DECLARANT: **SUNRISE TRAILS, LLC**, a  
Georgia limited liability company

By:  (SEAL)  
James C. Clinton, Member  
CHL

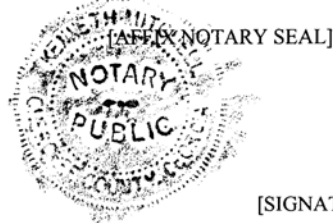
By:  (SEAL)  
David T. Gallaspy, Member  
GHL

Signed, sealed, and delivered  
in the presence of:

  
WITNESS

  
NOTARY PUBLIC

My Commission Expires: **Notary Public, Cherokee County, Georgia**  
**My Commission Expires March 11, 2008**



[SIGNATURES CONTINUED ON FOLLOWING PAGE]

ASSOCIATION: **ESTATES AT E-QUEST  
HOMEOWNERS  
ASSOCIATION, INC.**, a Georgia  
nonprofit corporation

By: *James C. Clinton*  
Print Name: JAMES C. CLINTON  
President CHIL

Attest: *D. T. Gallasp*  
Print Name: DAVID T. GALLASP  
Secretary GADC

[AFFIX CORPORATE SEAL]

Signed, sealed, and delivered  
in the presence of:

*Melissa Gail*  
WITNESS

*K. H. [Signature]*  
NOTARY PUBLIC

My Commission Expires:

Notary Public, Cherokee County, Georgia  
My Commission Expires March 11, 2003

[AFFIX NOTARY SEAL]



[SIGNATURES CONTINUED ON FOLLOWING PAGE]

VJL: VJL ENTERPRISES, INC., a  
Georgia corporation

By: *James C. Clinton*  
Print Name: JAMES C. CLINTON  
President *GA DL*



Attest: *Melissa Gill*  
Print Name: Melissa Gill  
Secretary *GA DL*

[AFFIX CORPORATE SEAL]

Signed, sealed, and delivered  
in the presence of:

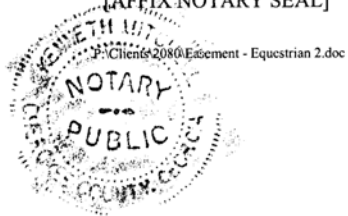
*Gambriel A. Mitchell*  
WITNESS

*Kenneth Mitchell*  
NOTARY PUBLIC

My Commission Expires:

Notary Public, Cherokee County, Georgia  
My Commission Expires March 11, 2006

[AFFIX NOTARY SEAL]



## EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1134, 1171, 1172, 1205 and 1206 of the 3<sup>rd</sup> District, 2<sup>nd</sup> Section, Cherokee County, Georgia being 67.506 acres as shown on a plat of survey of Sunrise Trails Subdivision by Williams Daniel, III, R.L.S. and being more particularly described as follows:

COMMENCING at the common land lot corner formed at the intersection of Land Lots 1133, 1134, 1171 and 1172 of said district and section; said point of beginning also being the northwest land lot corner of Land Lot 1172 of said district and section; from said point of beginning, run thence north 89 degrees 49 minutes 07 seconds east 385.68 feet to a one-half inch rebar located on the southwest road right-of-way of Pat Rich Road (50 foot right-of-way); run thence south 34 degrees 09 minutes 44 seconds east and along said road right-of-way 59.96 feet to an iron pin; continue thence in a southerly and southeasterly direction and following the curvature of the southwestmost right-of-way of Pat Rich Road a distance of 1284.11 feet to a point located at the intersection formed by the southeast right-of-way of Pat Rich Road and the northwest right-of-way of Arbor Hill Road (80 foot right-of-way); run thence south 41 degrees 05 minutes 22 seconds west and along the northwest right-of-way of Arbor Hill Road 800.86 feet to an iron pin; continue thence south 40 degrees 39 minutes 17 seconds west and continuing along said northwest road right-of-way 195.31 feet to an iron pin; said iron pin located at the northernmost property line of an existing cemetery; run thence north 60 degrees 18 minutes 33 seconds west and along the north line of the cemetery property 124.42 feet to an iron pin; run thence south 35 degrees 56 minutes 58 seconds west and along said cemetery property line 104.73 feet to a point; run thence north 66 degrees 04 minutes 48 seconds west 668.94 feet to an iron pin located at the common land lot corner formed by land lots 1171, 1172, 1205 and 1206 of said district and section; run thence north 49 degrees 28 minutes 05 seconds west 240.85 feet to a point; run thence north 26 degrees 00 minutes 59 seconds east 525.64 feet to an iron pin; run thence north 71 degrees 07 minutes 43 seconds west 76.43 feet to an iron pin; run thence north 72 degrees 23 minutes 14 seconds west 334.32 feet to an iron pin; continue thence north 62 degrees 25 minutes 24 seconds west 71.25 feet to an iron pin; run thence south 26 degrees 23 minutes 07 seconds west 90.32 feet to a point; run thence north 83 degrees 05 minutes 41 seconds west 340.19 feet to an iron pin; run thence south 08 degrees 54 minutes 19 seconds west 322.12 feet to a point; run thence north 68 degrees 47 minutes 28 seconds west 152.63 feet to an iron pin; run thence south 23 degrees 32 minutes 29 seconds east 342.83 feet to a point; run thence south 30 degrees 58 minutes 36 seconds west 333.19 feet to a point; run thence north 83 degrees 36 minutes 04 seconds west 46.27 feet to a point; run thence north 55 degrees 16 minutes 48 seconds west 230 feet to an iron pin located at the common land lot corner formed by Land Lots 1206, 1207, 1170 and 1171 of said district and section; run thence north 02 degrees 16 minutes 03 seconds east 559.59 feet to an iron pin; continue thence north 02 degrees 44 minutes 25 seconds east 838.94 feet to an iron pin; continue thence north 02 degrees 49 minutes 40 seconds east 649.47 feet to an iron pin; run thence south 54 degrees 00 minutes 55 seconds east 1229.43 feet to an iron pin; run thence south 88 degrees 38 minutes 41 seconds east 261.70 feet to an iron pin; run thence north 04 degrees 30 minutes 39 seconds east 57.35 feet to an iron pin and the point of beginning.

EXHIBIT "B"

Equestrian Facility Property Description.

All that tract or parcel of land lying and being in the 3rd District, 2nd Section, Cherokee County, Georgia and being a portion of original Land Lot Nos. 1171, 1172 and 1205 and being more particularly described as follows:

TO ASCERTAIN THE BEGINNING POINT of the property herein conveyed begin at an iron pin located in the Southwest corner of original Land Lot 1171, said iron pin marking the common corner of Land Lot Nos. 1170, 1171, 1206 and 1207; thence along the West land lot line of Land Lot 1171 North 02 degrees 03 minutes 47 seconds East a distance of 595.25 feet to an iron pin; thence South 69 degrees 32 minutes 57 seconds East a distance of 100 feet to an iron pin which is the beginning point of the property herein conveyed; thence North 58 degrees 50 minutes 48 seconds East a distance of 401.88 feet to an iron pin; thence south 83 degrees 45 minutes 47 seconds East a distance of 340.12 feet to an iron pin; thence North 25 degrees 49 minutes 08 seconds East a distance of 89.81 feet to an iron pin; thence South 63 degrees 45 minutes 12 seconds East a distance of 71.51 feet to an iron pin; thence South 72 degrees 49 minutes 40 seconds East a distance 410.45 feet to an iron pin; thence South 03 degrees 43 minutes 43 seconds West a distance of 176.08 feet to an iron pin; thence South 58 degrees 19 minutes 33 seconds East a distance of 1,034.96 feet to an iron pin located on the Northwesterly right of way of Arbor Hill Road (80 foot right of way); thence along said right of way and following the curvature thereof in a Southwesterly direction a total distance of 195.00 feet to an iron pin; thence North 60 degrees 55 minutes 30 seconds West a distance of 124.38 feet to an iron pin; thence South 35 degrees 14 minutes 30 seconds West a distance of 105.13 feet to an iron pin; thence North 66 degrees 44 minutes 29 seconds West a distance of 669.18 feet to iron pin which is located in the common corner of original Land Lots 1171, 1172, 1205 and 1206; thence North 50 degrees 06 minutes 05 seconds West a distance of 300.34 feet to an iron pin; thence North 69 degrees 32 minutes 57 seconds West a distance of 968.12 feet to the point of beginning.

For a more detailed description of the metes and bounds of the property herein conveyed specific reference is hereby made to a plat of survey by Jerry Thacker & Associates, Registered Surveyors, dated March 9, 1984, revised March 22, 1984 and being recorded in Plat Book 24, Page 84, Cherokee County Records.



LESS AND EXCEPT:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 1171 of the 3<sup>rd</sup> District, 2<sup>nd</sup> Section, Cherokee County, Georgia being more particularly described as follows:

TO FIND THE TRUE POINT OR BEGINNING, commence at the intersection formed by Land Lots 1170, 1171, 1134 and 1135 of said district and section; run thence south 02 degrees 44 minutes 25 seconds west 838.94 feet to an iron pin; run thence south 68 degrees 55 minutes 41 seconds east 99.96 feet to an iron pin and true point of beginning; from said point of beginning, run thence south 68 degrees 55 minutes 41 seconds east 165.22 feet to an iron pin; continue thence south 68 degrees 47 minutes 28 seconds east 152.63 feet to a point; run thence north 08 degrees 54 minutes 19 seconds east 322.12 feet to an iron pin; run thence south 59 degrees 32 minutes 56 seconds west 401.75 feet to the true point of beginning.

ALSO LESS AND EXCEPT:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1171, 1172 and 1205 of the 3<sup>rd</sup> District, 2<sup>nd</sup> Section, Cherokee County, Georgia and being more particularly described as follows:

BEGINNING at an iron pin located on the northwest road right-of-way of Arbor Hill Road (80 foot right-of-way); said point of beginning located south 41 degrees 05 minutes 22 seconds west 880.86 feet (as measured along the northwest right-of-way of Arbor Hill Road) from the intersection of the northwest right-of-way of Arbor Hill Road and the southwest right-of-way of Pat Rich Road (50 foot right-of-way); from said point of beginning, run thence north 57 degrees 39 minutes 59 seconds west 1034.75 feet to an iron pin; run thence north 04 degrees 24 minutes 20 seconds east 175.89 feet to an iron pin; run thence south 26 degrees 00 minutes 59 seconds west 525.64 feet to a point; run thence south 49 degrees 28 minutes 05 seconds east 240.85 feet to an iron pin located at the common land lot corner formed by Land Lots 1171, 1172, 1205 and 1206 of said district and section; continue thence south 66 degrees 04 minutes 48 seconds east 668.94 feet to a point located at the common boundary line between the property herein described and a cemetery; run thence north 35 degrees 56 minutes 58 seconds east and along the cemetery property 104.73 feet to an iron pin; continue thence south 60 degrees 18 minutes 33 seconds east and continuing along the boundary of the cemetery property 124.42 feet to an iron pin located at the northwest right-of-way of Arbor Hill Road; run thence north 40 degrees 39 minutes 17 seconds east and along the northwest right-of-way of Arbor Hill Road 195.31 feet to an iron pin and the point of beginning.

THE ABOVE-DESCRIBED PROPERTY is conveyed subject to a perpetual easement for vehicular and pedestrian travel as conveyed to Cherokee Bank, N.A. as part of a security deed encumbering contiguous property dated October 30, 2003.