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Please Record and Return To:

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*J.W.
2727187*

**DECLARATION OF CONDOMINIUM
FOR
THE GROVE
A CONDOMINIUM**

Georgia, Whitfield County

THIS DECLARATION is made by **Grove Developments, LLC**, a Georgia limited liability company with its principal place of business being in Whitfield County, County, Georgia (hereinafter called the "Declarant").

WITNESSETH:

WHEREAS, Declarant is the fee simple owner of that certain tract or parcel of land lying and being in Whitfield County, Georgia, as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, (the "Property") subject to the matters set forth on Exhibit "B" attached hereto; and

WHEREAS, certain improvements have been constructed on the Property as shown on the Plat and the Plans which are referenced in Section 5(A) and 5(B) hereof; and

WHEREAS, Declarant has duly incorporated **The Grove Condominium Association, Inc.** (the "Association") as a nonprofit membership corporation under the laws of the State of Georgia; and

WHEREAS, the Declarant desires to submit the Property to the Condominium form of ownership pursuant to the provisions of the Georgia Condominium Act, as the same is in effect on the date hereof (O.C.G.A. § 44-3-70 through § 44-3-116, as amended, hereinafter called the "Act"), the terms, conditions and provisions of which are incorporated herein by reference, and the terms and conditions hereinafter set out;

NOW, THEREFORE, the Declarant does hereby make, declare and publish its intention and desire to submit, and does hereby submit, the Property to the Condominium form of ownership pursuant to, subject to and in accordance with the provisions of the Act and the terms and conditions hereinafter set forth. By virtue of the recording of this Declaration, said Property shall be held, sold, transferred, conveyed, used, occupied, and Mortgaged, or otherwise encumbered subject to provisions of the Georgia Condominium Act and the covenants, conditions, restrictions, easements, assessments, and liens set forth in this Declaration, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real Property subject to this Declaration, and shall be binding on all Persons having any right, title, or interest in all or any portion of the real Property subject to this Declaration, their respective heirs, legal representatives, successors, successors-in-title and assigns, and shall be for the benefit of all owners of the Property subject to this Declaration.

**ARTICLE 1.
NAME**

1.1 *Name.* The name of the Condominium shall be The Grove (the "Condominium"), which Condominium is hereby submitted by Declarant to the Act.

**ARTICLE 2.
DESCRIPTION OF SUBMITTED PROPERTY**

2.1 *Location.* The Property is located in Whitfield County, Georgia, and is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

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

**ARTICLE 3.
DEFINITIONS**

3.1 *Generally.* The capitalized terms used herein and wherever they appear in the Condominium Instruments shall have the meaning ascribed to them in O.C.G.A. § 44-3-71 unless the context otherwise requires.

**ARTICLE 4.
CONVERTIBLE SPACE; EXPANDABLE CONDOMINIUM**

4.1 *Convertible Space.* The Condominium does not contain any Convertible Space.

4.2 *Expansion of Condominium.* This Condominium is expandable.

4.3 *Expandable Condominium.* Declarant shall have and hereby reserves the option to expand the condominium by adding the land (the "additional property") described in Exhibit "C", attached hereto and incorporated herein by reference, and any improvements thereon. The additional property may be added as a whole at one time. The option to expand the condominium by adding the land (the "additional property") described in Exhibit "C" shall expire seven (7) years from the date of recording this Declaration; provided however, the unit owners of units to which two-thirds of the votes in the association appertain, exclusive of any vote or votes appurtenant to any unit or units then owned by the

Declarant, may consent to the extension of any such option within one year prior to the date upon which the option would otherwise have expired. There are no other limitations on the option to expand. There is no limitation as to which portion of the additional property can be added to the condominium at any particular time, nor is there any limitation on where any improvements will be located on any portion of the additional property. The maximum average number of units per acre that may be created on the additional property is twelve (12). The additional property shall be subject to the use restrictions set forth in this Declaration when it is added to the condominium. The condominium units created on the additional property shall be compatible with the structures on the submitted property in terms of quality of construction, the principle materials to be used, and architectural style; however, different architectural designs are permitted if they remain compatible with structures on the submitted property. There are no assurances made as to any other, if any, improvements that may be made on the additional property. The units created on any portion of the additional property added to the condominium will be substantially identical to the units on the submitted property; however, different architectural designs are permitted if they remain compatible with structures on the submitted property. Declarant shall have the right to create and assign limited common elements on the additional property in accordance with the provisions of this Declaration. The undivided interest in the common elements, votes in the association and liability for common expenses are allocated among the condominium units on the submitted property, in proportion to the number of units, and, upon the expansion of the condominium to include any portion of the additional property, shall be reallocated among the condominium units on the submitted property and the additional property in proportion to the number of units. No other limitations are placed on Declarant's right to create or assign limited common elements. Declarant alone (or successors and assigns as developer) shall execute and record the amendments to this Declaration, the plats and plans required by the Act, at their own expense, and shall own the condominium units thereby created.

**ARTICLE 5.
UNIT INFORMATION AND BOUNDARIES**

5.1 *Buildings.* The buildings and structures situated upon the Property are:

(A) Located thereon as shown on that certain plat of survey of The Grove, A Condominium, which plat has been prepared in accordance with O.C.G.A. § 44-3-83 and has been filed contemporaneously herewith in Plat Cabinet D Slide 379, Whitfield County, Georgia Land Records (hereinafter said Condominium plat as recorded is referred to as the "Plat" or the "Condominium Plat"); and

(B) Divided into four (4) residential Units intended for independent ownership and use and as substantially shown upon those certain Plans for The Grove, and filed contemporaneously herewith in the Condominium Floor Plans Cabinet 1 Folder 116, Whitfield County, Georgia Land Records (hereinafter said plans are referred to as the "Plans" or the "Condominium Plans").

5.2 *Unit Number.* Each Unit shall have the identifying number allocated to it in accordance with the Plat and the Plans.

5.3 *Boundaries.* The boundaries of the Units are the floors, ceilings, and walls delineated in the Plans.

5.4 *Appurtenant Surfaces.* If any chute, flue, duct, conduit, wire, bearing wall, bearing column or any other apparatus lies partially within and partially outside the designated boundaries of a Unit, any portions

thereof serving only that Unit shall be deemed a part of that Unit, and any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

5.5 *Subdivision and Partition of Units; Relocation of Boundaries.* Subject to the provisions of O.C.G.A. § 44-3-91 and the Bylaws of the Association (the "Bylaws"), the boundaries between adjoining Units may be relocated from time to time, but no Unit may be subdivided for the purpose of creating two or more Units therefrom and no Unit Owner shall have the right of partition of a Unit.

**ARTICLE 6.
LIMITED COMMON ELEMENTS**

6.1 *Generally.* Any shutter, awning, window box, doorstep, porch, balcony, patio, and any other apparatus described in O.C.G.A. § 44-3-75(a)(5) designed to serve a single Unit shall be deemed to be a Limited Common Element appertaining to that Unit exclusively.

**ARTICLE 7.
ALLOCATION OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS**

7.1 *Generally.* The undivided interest in the Common Elements allocated to each Unit is set forth on Exhibit "D" attached hereto and incorporated herein by reference.

**ARTICLE 8.
ALLOCATION OF VOTES IN THE ASSOCIATION**

8.1 *Generally.* The number of votes in the Association for each Unit shall be as designated on Exhibit "D" attached hereto and incorporated herein by reference.

8.2 *Method of Voting.* The Persons entitled to exercise such votes at meetings of the Association, the method by which such votes may be exercised and the rights and obligations generally of members of the Association with regard to voting shall be in accordance with O.C.G.A. § 44-3-79 and the Bylaws.

**ARTICLE 9.
ALLOCATION OF LIABILITIES, COMMON EXPENSES AND UTILITY FEES**

9.1 *Derivation of Amounts.* The share of liability for each Unit of the Common Expenses of the Association is shown on Exhibit "D" attached hereto and incorporated herein by reference.

9.2 *Liability for Assessments.* Each Unit Owner shall, by acceptance of a deed from the Declarant or any direct or remote successor-in-interest to Declarant in any Unit, be personally liable for and shall pay to the Association:

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

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

(C) Pursuant to O.C.G.A. § 44-3-80(c), and in conjunction with the Bylaws, assessments may be made more often than annually, may be made for the purpose of defraying, in whole or in part, utilities, operating expenses, the cost of any construction or reconstruction, or unexpected repair or replacement of capital improvements in respect to the Common Elements. The Declarant shall be liable for all common area and other assessments and utility fees on Units owned by Declarant. The Declarant shall not be liable for any other assessments or expenses provided in this Article 9 of this Declaration prior to the date of the first Unit sale.

9.3 *Equitable Assessment for Limited Common Area Expenses.* Any Common Expenses which:

(A) Are incurred through or occasioned by the use or enjoyment of any Common Elements which benefits or is intended to benefit less than all the Units, shall not be assessed against all the Units pursuant to Section 9.2 hereof, but shall be specifically assessed equitably among those Units which are so benefited or intended to be benefited; and

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

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

9.5 *Lien Rights of Association.* Pursuant to the provisions of O.C.G.A. § 44-3-109(b), the Board of directors shall have the authority to establish general rules applicable to all Units providing that the lien for assessments shall include any one or more of the following: (i) a late or delinquency charge (not in excess of \$10.00 or ten percent of the amount of each assessment or installment thereof not paid when due, whichever is greater), (ii) interest on each assessment or installment thereof, and any delinquency or late charge appertaining thereto, from the date the same was first due and payable, at a rate not in excess of eight percent per annum, (iii) the costs of collection, including court costs, the expenses of sale, any expenses required for the protection and preservation of the Unit, and reasonable attorneys' fees actually incurred, and (iv) the fair rental value of the Condominium Unit from the time of the institution of suit until the sale of the Condominium Unit at Foreclosure (or until the judgment rendered in such suit is otherwise satisfied).

9.6 *Priority of Lien.* The lien for assessments shall have the priority set forth in O.C.G.A. § 44-3-109(a). Foreclosure of a prior Mortgage shall have the effect provided in O.C.G.A. § 44-3-80(f).

9.7 *Reserves and Working Capital.* The Association shall establish an adequate reserve fund for the periodic maintenance, repair or replacement of the Common Elements, which fund shall be maintained out of regular assessments for Common Expenses. The Declarant shall establish a working capital fund for the initial months of the operations of the Condominium which shall equal at least three (3) months estimated common area charges for each Unit in the Condominium and which shall be collected from the

purchaser of a Unit at the initial sale thereof.

**ARTICLE 10.
ASSOCIATION RIGHTS AND RESTRICTIONS**

10.1 Creation. The Declarant has caused the Association to be duly incorporated as a nonprofit membership corporation.

10.2 Powers Generally. The limitations and restrictions on the powers of the Association and on the Board of Directors of the Association are set out in the Bylaws.

10.3 Enforcement. Pursuant to the provisions of O.C.G.A. § 44-3-76, the Association shall be empowered, in order to enforce compliance with the lawful provisions of the Condominium Instruments, including any rules or regulations contained in or promulgated in accordance with the Bylaws, to impose and assess fines and to suspend temporarily the right of use of certain of the Common Elements.

10.4 Restrictions on Powers. The Association shall have, except to the extent restricted herein, all those powers permitted by the provisions of O.C.G.A. § 44-3-106, except to the extent that it may not without the written consent of two thirds of the Unit Owners (excluding Declarant) sell or transfer the Common Elements (excluding the grant of easements for public utilities or for any other public purposes consistent with the intended use of the Common Elements by the Unit Owners).

**ARTICLE 11.
EASEMENTS, COVENANTS, AND USE OF THE CONDOMINIUM**

11.1 Purposes. Each Unit Owner shall be responsible for ensuring that the Unit Owner's family, guests, tenants, and occupants comply with all provisions of the Condominium Instruments and the rules and regulations of the Association. Furthermore, each Unit Owner and occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Unit Owner's family, guests, tenants, or occupants, as a result of such Person's violation of the Condominium Instruments, the Association may take action against the Unit Owner as if the Unit Owner committed the violation in conjunction with the Unit Owner's family, guests, tenants, or Occupants. In addition to the following use restrictions, the Board of Directors may adopt rules and regulations in accordance with the terms hereof and as specified in the Bylaws. The Condominium is formed for residential purposes only and Units shall be occupied and used by the Unit Owners thereof only as private residences for the Unit Owners and the families, tenants, invitees, and guests of such Unit Owners and for no other purposes whatsoever. Without derogating from the generality of the foregoing, no business shall be maintained or conducted in or from any Unit, except that the Unit Owner or Occupant residing in a Unit may conduct ancillary business activities within the Unit so long as:

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

(B) The business activity does not involve visitation of the Unit by employees, clients, customers, suppliers, or other business invitees in greater volume than would normally be expected for guest visitation to a residential Unit without business activity;

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

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

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

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

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

11.2 Common Elements. All occupants of Units and their guests shall have a nonexclusive right to use the Common Elements for the purposes for which they are intended, subject, however, to the following provisions:

(A) No such use shall enter or encroach upon the lawful rights of other Persons; and

(B) The right of the Association to restrict the use and govern the operation of the Common Elements by promulgating reasonable rules and regulations with respect thereto, including, without limitation, the right to charge reasonable monthly fees for the use thereof by Unit Owners as the Association deems necessary or appropriate.

(C) With prior written Board approval, and subject to any restrictions imposed by the Board, a Unit Owner may reserve portions of the Common Elements for use for a period of time as set by the Board. Any such Unit Owner who reserves a portion of the Common Elements as provided herein shall assume, on behalf of himself or herself and his or her guests, Occupants and family, all risks associated with the use of the Common Elements and all liability for any damage or injury to any Person or thing as a result of such use.

11.3 Use of Limited Common Elements. Except as otherwise provided herein, the use of the Limited Common Elements assigned to the Units is restricted exclusively to the Unit Owners to which such Limited Common Elements are assigned, and said Unit Owner's family members, guests, tenants, and invitees. The Limited Common Elements are reserved for exclusive use, but shall not be construed or interpreted to be separate and apart from the Common Elements in general, and the restrictions applicable to the Common Elements shall also apply to the Limited Common Elements.

11.4 Strict Compliance. The Unit Owners shall be entitled to all of the rights but shall be subject to all of the obligations provided for in the Act and all Unit Owners shall comply strictly with the provisions of the Condominium Instruments including any restrictions, rules or regulations contained in or promulgated in accordance with the Bylaws.

11.5 Maintenance of Offices. The provisions of Section 11.2 hereof shall not affect the right of the Declarant and its duly authorized agents, representatives and employees to enjoy the easement provided

for in O.C.G.A. § 44-3-85(b) for the maintenance of sales and leasing offices and/or model Units on the Submitted Property.

11.6 Construction Easement. The Property shall be subject to a nonexclusive easement in favor of Declarant and its Officers, employees, agents, independent contractors, and invitees for entry upon and passage over the Property for purposes of constructing the Units and other improvements described herein.

11.7 Utility Easements. There shall be appurtenant to each Unit a nonexclusive easement for use of all pipes, wire cables, conduits, utility lines, flues and ducts serving such Unit and situated in any other Unit. Each Unit shall be subject to an easement in favor of other Units for use of all pipes, wire, cables, conduits, utility lines, flues and ducts situated in such Unit and serving such other Units.

11.8 Encroachments. If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any such encroachment shall occur hereafter as a result of (i) settling of a Unit or Units; (ii) repair, alteration or reconstruction of the Common Elements made by or with the consent of the Association; (iii) repair or reconstruction of a Unit or Units following damage by fire or other casualty; or (iv) condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Property remains subject to the Act.

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

11.10 Maintenance of Common Elements. The necessary work of maintenance, repair and replacement of the Common Elements and the making of any additions or improvements thereto shall be carried out only as provided in the Act, this Declaration and the Bylaws.

11.11 Prohibited Work. No Unit Owner shall do any work which would jeopardize the soundness or safety of the Property, reduce the value thereof or impair any easement or hereditaments without in every such case unanimous consent of all other Unit Owners being first obtained.

11.12 Number of Occupants. The maximum number of occupants in a Unit shall be limited to two (2) people per bedroom in the Unit. "Occupancy," for purposes hereof, shall be defined as staying overnight in a Unit for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

11.13 Prohibition of Damages, Nuisance and Noise. Without the prior written consent of the Board of Directors, nothing shall be done or kept on the Condominium, or any part thereof, which would increase the rate of insurance on the Condominium or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirements of any governmental body, or which would increase the Common Expenses. It is the nature of multi-family properties (of which this Condominium is a part) that dwelling Units are built in close proximity to one another (resulting in sharing of common walls, floors and ceilings) and noise is frequently audible from one Unit to the next no matter how much sound proofing is attempted. It is therefore mandatory, for the mutual

interest and protection of all Unit Owners, lessees, and other Occupants within the Condominium, to recognize that acoustical privacy is achieved only through understanding and compliance with certain limitations and restrictions. The design and construction of this Condominium attempts to meet the recognized standards and criteria related to sound insulation in construction practice today. It is recognized, however, that sound insulation from an adjacent occupancy in a manner comparable to a single-family residence is impossible to attain and Unit Owners and Occupants hereby acknowledge and accept that limitation. Unit Owners and Occupants acknowledge that there will usually be some audio awareness of one's neighbors, depending upon the situation. Within the basic design of the Condominium, efforts have been made to minimize airborne noise, structure-borne noise, and impact noise transmission from and to each Unit. Modification of design of the structures, or related components thereof, by Unit Owners and Occupants could alter the resultant expected insulation. Accordingly, all such modifications are regulated by this Declaration and the Unit Owners and Occupants should review the Declaration for further information with respect to sound attenuation. Additionally, all furniture parts in contact with the floor should have rubber castors or felt pads to minimize noise and vibration attributable to moving furniture as well as scratching of finishes. Noxious, destructive, or offensive activity shall not be carried on within the Condominium. No Unit Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Condominium at any time, in any way or for any purpose which may endanger the health, unreasonably annoy or disturb or cause embarrassment, or discomfort to other Unit Owners or Occupants, or in such a way as to constitute, in the sole opinion of the Board of Directors, a nuisance. In addition, no Unit Owner or Occupant of a Unit may use or allow the use of a Unit or the Common Elements in any manner which creates disturbing noises, including, without limitation, use of stereo speakers or equipment that will in the sole discretion of the Board of Directors interfere with the rights, comfort or convenience of the other Unit Owners or Occupants. Nothing herein, however, shall be construed to affect the rights of an aggrieved Unit Owner to proceed individually for relief from interference with his or her Property or personal rights. No Unit Owner, Occupant, or agent of such Unit Owner or Occupant shall do any work which, in the reasonable opinion of the Association's Board of Directors or its designee, would jeopardize the soundness or safety of the Condominium or any structure thereon, would reduce the value thereof, or would impair any easement or other interest in real Property thereto, without in every such case the unanimous, prior written consent of all members of the Association and their Mortgagees. No damage to or waste of the Common Elements, or any part thereof, shall be permitted by any Unit Owner or member of his or her family or any invitee of any Unit Owner. Each Unit Owner shall indemnify and hold the Association and the other Unit Owners harmless against all loss to the Association or other Unit Owners resulting from any such damage or waste caused by such Unit Owner, members of his or her family, guests, invitees, or Occupants of his or her Unit.

11.14. Firearms and Fireworks. The display or discharge of firearms or fireworks on the Common Elements or Limited Common Elements is prohibited; provided, however, that the display of lawful firearms on the Common Elements or Limited Common Elements is permitted by law enforcement Officers and is also permitted for the limited purpose of transporting the firearms across the Common Elements or Limited Common Elements to or from the Unit Owner's. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. The term "fireworks" shall include those items as listed in O.C.G.A. § 25-10-1, as amended.

11.15. Pets. No Unit Owner or Occupant may keep any pets other than generally recognized household pets on any portion of the Condominium; provided, however no Unit Owner or Occupant may keep more than a total of two (2) cats and/or dogs per Unit. Notwithstanding the above, a reasonable number of generally recognized household pets, as determined in the Board's sole discretion, weighing less than two (2) pounds each may be kept in Units. No Unit Owner or Occupant may keep, breed, or any maintain any pet for any commercial purpose. Pets may not be left unattended outdoors. No structure for the care,

housing, or confinement of any pet shall be constructed or on maintained on any part of the Common Elements, including Limited Common Elements, without prior approval from the Architectural Control Committee. Dogs must be kept on a leash and be under the physical control of a responsible Person at all times while outdoors. Feces left upon the Common Elements by dogs must be removed by the owner of the dog or the Person responsible for the dog. No potbellied pigs, venomous snakes, pit bulldogs, rottweillers, doberman pinschers, or other animals determined in the Board's sole discretion to be dangerous may be brought onto or kept on the Condominium at any time. The Board may require that any pet which, in the Board's opinion, endangers the health of any Unit Owner or Occupant or creates a nuisance or unreasonable disturbance, be permanently removed from the Condominium upon seven (7) days written notice. If the Unit Owner or Occupant fails to do so, the Board may remove the pet. Any pet which, in the Board's sole discretion, presents an immediate danger to the health, safety, or Property of any community member may be removed by the Board without prior notice to the pet's owner. Any Unit Owner or Occupant who keeps or any maintains any pet upon the Condominium shall be deemed to have agreed to indemnify and hold the Association, its directors, Officers, and agents free and harmless from any loss, claim, or liability of any kind or character whatever arising by reason of keeping or in such pet within the Condominium.

11.16. Parking. Vehicles only may be parked in designated, lined outside parking spaces, garages, driveways, or other areas authorized in writing by the Board. Each Unit Owner shall be limited to three (3) vehicles per Unit. Disabled and stored vehicles are prohibited from being parked on the Condominium, except in garages. For purposes hereof, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Condominium for fourteen (14) consecutive days or longer without prior written Board permission. Boats, trailers, panel trucks, buses, trucks with a load capacity of one (1) ton or more, vans (excluding mini-vans or utility vehicles used as passenger vehicles and receiving a "car" or "passenger vehicle" classification by the Georgia Department of Motor Vehicles), recreational vehicles (RV's and motor homes), vehicles used primarily for commercial purposes, and vehicles with commercial writings on their exteriors are also prohibited from being parked on the Condominium, except in garage areas designated by the Board as parking areas for particular types of vehicles. Notwithstanding the above, trucks, vans, commercial vehicles, and vehicles with commercial writings on their exteriors shall be allowed temporarily on the Common Elements during normal business hours for the purpose of serving any Unit or the Common Elements, but no such vehicle shall remain on the Common Elements overnight or for any purpose except serving a Unit or the Common Elements, without written Board consent. If any vehicle is parked on any portion of the Condominium in violation of this Section or in violation of the Association's rules and regulations, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of the Person or entity which will do the towing and the name and telephone number of a Person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the owner or user of the vehicle. If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Unit Owner's or parking space, is obstructing the flow of traffic, is parked on any grassy or landscaped area, is parked in a space which has been as exclusively serving another Unit, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed in accordance with this subparagraph, neither the Association nor any Officer or agent of the Association shall be liable to any Person for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow. For so long as Declarant owns a Unit primarily for the purpose of sale, Declarant may sell more outside parking spaces to a Unit Owner and

may adopt rules regulating the use of unassigned outside parking spaces. Such assigned spaces shall be designated as Limited Common Elements appurtenant to the Units to which they have been sold and may only be used by the Unit Owner or Occupant to whom the spaces assigned, and their guests and families.

11.17. Garage Doors. 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 days if it is unlicensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle shall be considered a nuisance and may be removed from the Community by the Board of Directors. Any towed vehicle, boat, 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 or other area designated by the Board, for periods longer than 24 hours each shall be considered a nuisance and 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.

11.18. Heating of Units in Colder Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to any portion of the Condominium, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five (55) degrees Fahrenheit (except during power failures or periods when heating equipment is broken) whenever the temperature is forecasted to or does reach (32) degrees Fahrenheit or below. Unit Owners and Occupants of Units shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. The Board of Directors may fine any Unit Owner or Occupant and/or may cause the water service to the violator's Unit to be discontinued for violation of this subparagraph, in addition to any other remedies of the Association.

11.19. Signs. Except as may be provided for herein or as may be required by legal proceedings, and except for signs which may be erected by Declarant related to the development and sale of Units, no signs, advertising posters, political placards or billboards of any kind shall be erected, placed, or permitted on the Condominium without the prior written consent of the Board or its designee, except that one (1) professional security sign not to exceed twelve (12') inches by twelve (12') inches in size may be displayed from within a Unit. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.

11.20. Rubbish, Trash, and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Elements, Limited Common Elements, or outside the garage of a Unit, temporarily or otherwise, earlier than 8:00 p.m. on the day before the scheduled garbage pickup. Rubbish, trash, and garbage shall be disposed of in sealed bags and either placed in the trash dumpsters, or proper receptacles designated by the Board for collection, or removed from the Condominium.

11.21. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, but not limited to 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 on any part of the Condominium. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the Unit.

11.22. *Garage Sales.* Garage sales, yard sales, flea markets, or activities are prohibited unless approved in writing by the Board of Directors.

11.23. *Garages.* No Unit Owner or Occupant of a Unit shall park his or her car or other motor vehicle on any portion of the Condominium, other than in the garage, unless the maximum number of cars or similarly sized motor vehicles which can be parked in the garage according to its design capacity are already parked in said garage; in such case, additional vehicles must be parked only in an assigned outside parking space or other area approved in writing by the Board of Directors. Garage doors shall remain closed at all times, except for necessary use, ingress, and egress. All garages shall be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible.

11.24. *Antennas and Satellite Dishes.* No satellite dish, antenna or other device for the transmission or reception of television signals, radio signals, or any form of electromagnetic wave or radiation shall be erected, used, or maintained on any portion of the Condominium Property other than in the rear of any Unit, including the Unit or Limited Common Elements, without written approval of the Board of Directors or the Architectural Control Committee; provided, however, that the Association shall have the right to erect, construct and maintain such devices.

11.25. *Grilling.* The use of outdoor grills in any Condominium building is prohibited; provided, however, grilling shall be permitted on gas *and* electric grills and only on a Limited Common Element concrete patio area or on the paved driveway of a Unit. A gas or electric grill shall be stored outside of public view when not in use.

11.26. *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) street lights in conformity with an established street lighting program for the Community; (c) seasonal decorative lights; (d) front house illumination of model homes; or (e) other lighting approved in accordance with the provisions of Article 15 hereof.

ARTICLE 12. INSURANCE AND CASUALTY LOSSES

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

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

(B) Comprehensive public liability insurance covering all of the Common Elements and insuring against all damage or liability caused by the acts of the Association, its Officers, directors, agents, and employees, all Unit Owners and other Persons entitled to occupy any Unit or any other portion of the Condominium, with liability limits in amounts authorized from time to

time by the Association, but in no event less than the amounts required in the Act;

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

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

12.3 *Policy Standards.*

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

(B) The Association shall use its best efforts to cause all of such insurance policies to contain: (i) a waiver of subrogation by the insurer as to any claims against the Association, any Officer, director, agent or employee of the Association, the Unit Owners and their employees, agents, tenants and invitees, and a waiver of any defenses based on co-insurance or on invalidity arising from the acts of the insured; (ii) a waiver by the insurer of its right to repair and reconstruct instead of paying cash; (iii) a provision that the policy cannot be canceled, invalidated or suspended on account of the conduct of any Unit Owner or any employee, agent, tenant or invitee of any Unit Owner, or any Officer, director, agent or employee of the Association, without a prior demand in writing and delivered to the Association to cure the defect and the allowance of reasonable time thereafter within which the defect may be cured by the Association, any Unit Owner or any Mortgagee; (iv) a provision that any "other insurance" clause in the policy shall exclude from its scope any policies of the individual Unit Owners; (v) a provision that the coverage may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least thirty days written notice to any and all of the insured thereunder, including Mortgagees; and (vi) a provision that the coverage will not be prejudice by any act or neglect of the Unit Owners when said act or neglect is not within the control of the Association, or any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

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

12.5 *Individual Insurance by Unit Owners.* It shall be the individual responsibility of each Unit Owner, at its sole cost and expense, to provide, as it sees fit any insurance coverage not required to be maintained by the Association. Any Unit Owner who obtains an individual insurance policy rejecting any risk as to which insurance is carried by the Association shall file a copy of such individual policy with the Association within thirty days after the purchase thereof.

12.6 *Handling of Casualty Insurance Proceeds.* All insurance policies purchased by and in the name of the Association shall provide that proceeds covered in casualty loss shall be paid to the Association. The Association shall receive such proceeds as are paid and delivered to it and hold the same in trust for the benefit of the Unit Owners and their Mortgagees as follows:

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

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

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

12.7 *Damage and Destruction.*

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

(B) Any damage or destruction shall be repaired or reconstructed in accordance with the provisions of the Act and Bylaws unless: (i) the Condominium is terminated pursuant to, subject to and in accordance with the provisions of the Act and this Declaration; (ii) the damaged or destroyed portion of the Property is withdrawn from the Condominium pursuant to, subject to and in accordance with the provisions of the Act; or (iii) the Unit Owners of the damaged or destroyed Units, if any, and their Mortgagees, together with the Unit Owners of other Units to which two-thirds of the votes in the Association appertain and the Mortgagees, exclusive of the votes appertaining to any damaged or destroyed Units, agree not to repair or reconstruct such damage or destruction, pursuant to, subject to and in accordance with the provisions of the Act. Any such determination shall be conclusively made, if at all, not more than ninety days after the date of the casualty. Should a determination be made to terminate the Condominium, as herein provided, then the insurance proceeds paid to the Association and held by it on account of such casualty shall be Common Profits, to be held and disbursed pursuant to, subject to and in accordance with Section 12.6 hereof. Should a determination be made to withdraw from the

Condominium the damaged portion of the Property or not to repair or reconstruct the damage or destruction, as herein provided, then the insurance proceeds paid to the Association and held by it on account of such casualty shall be disbursed by the Association in accordance with the manner in which such proceeds are held by the Association, pursuant to Section 12.6 hereof. Any remittances with respect to Units as to which Mortgagee endorsements have been issued on the policies under which the proceeds were paid shall be payable to the Unit Owner and its Mortgagee jointly, as their interest may appear.

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

**ARTICLE 13.
NON-LIABILITY AND INDEMNITY OF OFFICERS AND DIRECTORS OF THE
ASSOCIATION AND DECLARANT**

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

**ARTICLE 14.
SALE OR LEASING OF UNITS**

14.1 Notice Provisions. Any Unit Owner who sells or who leases his Unit shall give notice in writing to the Board of Directors of such sale or of such lease stating the name and address of the purchaser or lessee and such other information as the Board may reasonably require. The Board of Directors shall have authority to make and to enforce reasonable rules and regulations in order to enforce this provision, including the right to impose fines constituting a lien upon the Unit sold or leased, pursuant to the Act; provided, however, no rule or regulation may create a right of first refusal in the Association or any other third party, this paragraph solely creating the obligation of an Unit Owner to give notice to sell or lease. Notice, as required herein, shall be given, in the case of a lease, not later than fifteen (15) days after commencement of the lease and, in the case of a sale, not later than the closing of the sale.

14.2 Leasing Provision. Units may be rented only in their entirety; no fraction or portion may be rented. There shall be no subleasing of Units or assignment of leases. With the exception of a lender in possession of a Condominium Unit following a default in a first Mortgage, a Foreclosure proceeding, or any deed or other arrangement in lieu of Foreclosure, no Unit Owner shall be permitted to lease his Unit for transient or hotel purposes. All leases and lessees are subject to the provisions of this Declaration and the rules and regulations adopted pursuant thereto. Any lease agreement shall be required to provide that the terms of a lease shall be subject in all respects to the provisions of the Declaration and Bylaws and

that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing. Other than Units owned by the Declarant and with the exception of a lender in possession of a Condominium Unit following a default in a first Mortgage, a Foreclosure proceeding, or any deed or other arrangement in lieu of Foreclosure, all rentals must be for a term of no less than one year. The Unit Owner must make available to the tenant copies of the Declaration, Bylaws and Rules and Regulations.

14.3 Statement. Any Unit Owner or Person having executed a lease or a contract for the purchase of a Condominium Unit requesting a recordable statement certifying to the receipt by the Association of the notice herein specified, or the waiver of the Association's rights to receive such notice shall be furnished such a statement. Any such statement shall be binding on the Association and every Unit Owner. Payment of a fee, not exceeding \$25.00, may be required as a prerequisite to the issuance of such a statement.

**ARTICLE 15
ARCHITECTURAL CONTROLS**

15.1 Architectural Control Committee. The Architectural Control Committee (ACC) shall be the Board of Directors of the Declarant and except for the Declarant, so long as the Declarant shall own a Unit for sale, no Unit Owner, Occupant, or any other Person may make any encroachment onto the Common Elements or Limited Common Elements, or make any exterior change, alteration, or construction (including painting and landscaping), nor erect, place, or post any object, sign, clothesline, speakers, playground equipment, light, fountains, flags, or thing on the exterior or roofs of the buildings, in any windows, on any Limited Common Elements, or on any other Common Elements, without first obtaining the written approval of ACC. The standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, Units and structures, and the location in relation to surrounding structures and topography. Notwithstanding the above, Declarant shall not be required to obtain any approvals under this Paragraph.

**ARTICLE 16
EMINENT DOMAIN**

16.1 Generally. If any portion of the Property is taken by eminent domain, the award shall be allocated as provided in O.C.G.A. § 44-3-97.

**ARTICLE 17
AMENDMENT OF CONDOMINIUM INSTRUMENTS**

17.1 Amendment. Except where a higher vote is required for action under any other provisions of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding two-thirds (2/3) of the total Association vote. As long as Declarant has the right to appoint the directors and Officers of the Association as provided in Article III, Section 2 of the Bylaws, any amendment to this Declaration or the Bylaws shall require the written consent of Declarant. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Whitfield County, Georgia land records. In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage Holders who represent

at least fifty-one (51%) percent of the votes of Units that are subject to Mortgages held by Eligible Mortgage Holders. Notwithstanding the above, the approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder receives notice of the proposed amendment sent by certified or registered mail, return receipt requested. Material amendments are those which establish, provide for, govern or regulate any of the following:

- (A) Voting;
- (B) Assessments, assessment liens or subordination of such liens;
- (C) Reserves for maintenance, repair and replacement of the Common Elements;
- (D) Insurance or fidelity bonds;
- (E) Rights to use of the Common Elements;
- (F) Responsibility for maintenance and repair of the Condominium;
- (G) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of Property to or from the Condominium, except the submission of the Additional Property to the Condominium as set forth in this Declaration;
- (H) Boundaries of any Unit;
- (I) The interests in the Common Elements or Limited Common Elements;
- (J) Convertibility of Units into Common Elements or of Common Elements into Units;
- (K) Leasing of Units;
- (L) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit in the Condominium;
- (M) Establishment of self-management by the Condominium Association where professional management has been required by any of the agencies or corporations set forth below; and
- (N) Amendment of any provisions which are for the express benefit of Eligible Mortgage holders or insurers or guarantors of first Mortgages on Units in the Condominium.

Notwithstanding the foregoing, Declarant or the Board of Directors, without the necessity of a vote from the Unit Owners, may amend this Declaration to correct scrivener's error and to comply with any applicable state, city or federal law, and/or to bring the Condominium into compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mac"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA"). Any action to challenge the validity of an amendment adopted

under this Paragraph must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.”

**ARTICLE 18
TERMINATION OF THE CONDOMINIUM**

18.1 Termination. Subject to the provision of Article 20 and the provisions of O.C.G.A. § 44-3-98 with regard to the manner in which the termination of the Condominium shall be effected and to the consequences thereof, The Grove, a Condominium, shall be terminated only by the agreement of four-fifths (4/5) of the Unit Owners and of all Mortgagees of such Units unless, in the case of the destruction of the entire development by fire or other casualty, following which the decide not to rebuild, in which case the provisions of the Bylaws and the Declaration shall apply.

**ARTICLE 19
CONTROL BY DECLARANT**

19.1 Generally. Pursuant to and in accordance with the provisions of O.C.G.A. § 44-3-101, the Declarant is hereby authorized in accordance with the Bylaws, incorporated herein by reference, to appoint and remove any member or members of the Board of Directors and any Officer or Officers of the Association with or without cause until the first of the following occurs:

- (A) The third anniversary of the date of recording of this Declaration, or
- (B) The date as of which Units to which seventy (70%) percent of the undivided interests in the Common Elements have been conveyed by Declarant to Unit Owners other than a Person or Persons constituting Declarant, or
- (C) The date as of which the Declarant surrenders the authority to appoint and remove all members of the Board of Directors by express amendment to the Declaration executed and recorded by the Declarant.

**ARTICLE 20.
MORTGAGEE RIGHTS**

20.1 Termination. Unless at least two-thirds (2/3) of the holders (the “Mortgagees”) of first deeds to secure debt or other transfers or conveyances for the purpose of securing the performance of an obligation secured by Units in the Condominium (the “Mortgage”) give their consent, the Association or the membership shall not:

- (A) by act or omission seek to abandon or terminate the Condominium;
- (B) change the pro rata interest or obligations of any individual Unit for the purpose of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (2) determining the pro rata share of ownership of each Unit in the Common Elements;
- (C) partition or subdivide any Unit in any manner inconsistent with the provisions of this Declaration;

(D) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements (the granting of easements or licenses, as authorized herein, shall not be deemed a transfer within the meaning of this clause); or

(E) use hazard insurance proceeds for losses to any portion of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement, or reconstruction of such portion of the Condominium.

The provisions of this subparagraph shall not be construed to reduce the percentage vote that must be obtained from Mortgagees or Unit Owners where a larger percentage vote is otherwise required by the Act or the Condominium Instruments for any of the actions contained in this Paragraph.

20.2 *Foreclosure.* Where the Mortgagee holding a first Mortgage of record, a secondary purchase money Mortgage of record (provided that neither the grantee nor any successor grantee on the secondary purchase money Mortgage is the seller of the Unit) or other purchaser of a Unit obtains title pursuant to judicial or nonjudicial Foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Unit Owners of all the Units, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

20.3 *Eligible Mortgage Holder.* Upon written request to the Association, identifying the name and address of the holder and the Unit number or address (the "Eligible Mortgage Holder") the Eligible Mortgage Holder will be entitled to timely written notice of:

(A) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder;

(B) any delinquency in the payment of assessments or charges owed by an Unit Owner subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Unit Owner of any other obligation under the Condominium Instruments which is not cured within sixty (60) days;

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

(D) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

20.4 *Notice to Eligible Mortgage Holder.* Upon written request to the Association, identifying the name and address of the holder and the Unit number or address, any Eligible Mortgage Holder, or insurer or guarantor of a first Mortgage on a Unit, will be entitled to timely written notice of:

(A) any proposed amendment of the Condominium Instruments effecting a change in (a) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (b) the interests in the Common Elements or Limited Common Elements appertaining thereto; (c) the

number of votes in the Association appertaining to any Unit; or (d) the purposes to which any Unit or the Common Elements are restricted;

(B) any proposed termination of the Condominium;

(C) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder;

(D) any delinquency in the payment of assessments or charges owed by an Unit Owner subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Unit Owner or any other obligation under the Condominium Instruments which is not cured within sixty (60) days;

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

(F) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

20.5 *Financial Statement.* Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.

20.6 *Other Rights.* Upon No provision of this Declaration or the Bylaws gives or shall be construed as giving any Unit Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Elements.

20.7 *Address.* Upon request, each Unit Owner shall be obligated to furnish to the Association the name and address of any Mortgagee encumbering such Owner's Unit.

20.8 *Respond to Request.* Upon Any Mortgagee who receives a written request from the Board to respond to any action shall be deemed to have approved such action if the Association does not receive a written response form the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

20.9 *No Reduction.* Upon Nothing contained in this Paragraph shall be construed to reduce the percentage vote that must otherwise be obtained under the Condominium Instruments or Georgia law for any of the actions set forth in this Paragraph.

ARTICLE 21. MISCELLANEOUS

21.1 *Notices.* Notices provided for in the Act, this Declaration, or the Articles of Incorporation of the Association (the "Articles") or Bylaws shall be in writing, and shall be addressed to any Unit Owner at his/her or their Unit at the Condominium or at such other address as hereinafter provided. Notices to the

Association shall be in writing and addressed to the President of the Association at his or her Unit at the Condominium, or to such other address as may hereafter be provided for and a written notice of such change of address furnished to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered three business days after mailing by United States registered or certified mail, or when delivered in person. Upon written request to the Association, the holder of any interest in any Unit shall be given a copy of all notices to be given to the Unit Owner whose Unit is subject to such interest.

21.2 Right to Notice, Attend Meetings and Inspection of Records. The Unit Owner of any interest in any Unit, including any Mortgagee, and any insurer or grantor of such Mortgage, in addition to the rights set forth in the Act, shall have the right to inspect the books and records of the Association, including financial records, upon reasonable notice, and the right to attend and speak at any meeting of the Association, provided, however, no Person other than a member as such shall have any voting rights. If the Unit Owner of any such interest files with the Association a written request, the Association shall have the right to notify such party of any violation by the Unit Owner of such Unit, provided, however, that in no event shall the Association agree with any such party to furnish such notice unless such party agrees in writing that in no event shall the Association be liable for any claim or damages as a result of any failure to give such notice. Upon written request, any Mortgagee shall have the right to receive a financial statement for the immediately preceding fiscal year.

21.3 Headings. The headings, sections and subsections in this Declaration and the and Bylaws are for convenience or reference only and shall not in any way be deemed to limit or construe the intent of the parties or interpret the meaning of any document.

21.4 Number and Gender. As used in this Declaration, the singular shall include the plural, the masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

21.5 Severability. If any provision of this Declaration or the Articles or Bylaws is held invalid, the validity of the remainder of this Declaration and the Articles and Bylaws shall not be affected thereby, and the remainder thereof shall be construed as if such invalid part was never included herein or therein.

21.6 Rights and Obligations. Each successor in title of the Declarant with respect to any part of the Property, by the acceptance of a Deed of Conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges created or reserved by this Declaration. All rights, benefits and privileges hereby imposed shall be deemed and taken to be covenants running with the land, and shall be binding inure to the benefit of any Person having any interest or estate in the Property, or any portion thereof.

ARTICLE 22 AUTHOR

22.1 Author. This Declaration was prepared by John T. Minor, IV, Minor, Bell & Neal, P.C., P.O. Box 2586, Dalton, Georgia 30722-2586.

IN WITNESS WHEREOF, the undersigned Declarant has executed this instrument this 13th day of September 2005.

DECLARANT:

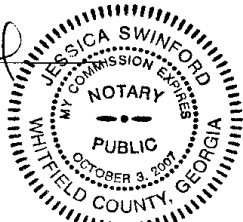
GROVE DEVELOPMENTS, LLC

By: [Signature] (SEAL)
J. KIRK SATTERFIELD, MANAGER

Signed, sealed and delivered in the presence of:

[Signature]
Unofficial Witness

[Signature]
Notary Public



First National Bank of Chatsworth joins in the execution of this Declaration of Condominium for The Grove, A Condominium for the purpose of subordinating its liens represented by its Warranty Deeds to Secure Debt and Financing Statements to the Declaration.

First National Bank of Chatsworth

Signed, sealed and delivered in the presence of:

[Signature]
Unofficial Witness

[Signature]
Notary Public

BY: [Signature]
Title: President & CEO

Notary Public, Whitfield County, Georgia
My Commission Expires April 26, 2008

EXHIBIT "A"

All that tract or parcel of land lying and being in Land Lot No. 89 in the 12th District and 3rd Section of Whitfield County, Georgia, and being designated as Parcel A on a plat of survey for Grove Development, LLC by Joseph R. Evans, Registered Land Surveyor No. 2168, dated November 6, 2004, last revised September 21, 2005, and being more particularly described according to said survey as follows:

BEGINNING at a point located in the south right of way line of Orchard Drive (f/k/a NKC Drive, 50' R/W), said point being located in an easterly direction, as measured along said right of way line, a distance of 1,978.66 feet easterly, from the point of intersection of said right of way line and the east right of way line of Cleveland Highway; thence running in an easterly direction, as measured along the south right of way line of Orchard Drive, along an arc (275.0' Radius), an arc distance of 10.48 feet; thence north 89 degrees 27 minutes 00 seconds east, along the south right of way line of Orchard Drive, a distance of 2.76 feet; thence south 03 degrees 42 minutes 32 seconds east a distance of 394.88 feet; thence north 38 degrees 28 minutes 38 seconds west a distance of 104.55 feet; thence north 49 degrees 50 minutes 15 seconds west a distance of 79.80 feet; thence running in a northerly direction, along the centerline of Orchard Circle, along an arc to the left (50' Radius) an arc distance of 37.10 feet; thence north 03 degrees 42 minutes 32 seconds west, along the centerline of Orchard Circle, a distance of 92.74 feet; thence running in a northeasterly direction, along the centerline of Orchard Circle, along an arc to the right (50.0' Radius), an arc distance of 45.01 feet; thence north 52 degrees 06 minutes 28 seconds east, along the centerline of Orchard Circle, a distance of 45.33 feet; thence running in a northeasterly direction, along the centerline right of way line of Orchard Circle, along an arc to the left (50.0' Radius), an arc distance of 43.20 feet; thence north 01 degree 38 minutes 30 seconds west, along the centerline of Orchard Circle, a distance of 25.96 feet, to a point located in the south right of way line of Orchard Circle, which is the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT, for ingress, egress and the installation and maintenance of utilities, said easement running along Orchard Circle, and being more particularly described according to a plat of survey for Grove Development, LLC by Joseph R. Evans, Registered Land Surveyor No. 2168, dated July 30, 2003, revised April 30, 2004 and further revised August 19, 2004, and being more particularly described according to said survey as follows:

BEGINNING at a point located in the south right of way line of Orchard Drive (50' R/W), said point being located in an easterly direction, as measured along said right of way line, a distance of 1,527.06 feet easterly, from the point of intersection of said right of way line and the east right of way line of Cleveland Highway; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 100.13 feet; thence running in a southwesterly direction, along the southeast right of way line of Orchard Circle, along an arc to the left (25.0' Radius), an arc distance of 37.99 feet; thence south 00 degrees 12 minutes 00 seconds west, along the east right of way line of Orchard Circle, a distance of 182.48 feet; thence running in a southeasterly direction, along the northeast right of way line of Orchard Circle, along an arc to the left (25.0' Radius), an arc distance of 38.92 feet; thence south 89 degrees 00 minutes 00 seconds east, along the north right of way line of Orchard Circle, a distance of 238.83 feet; thence running in a northeasterly direction, along the northwest right of way line of Orchard Circle, along an arc to the left (25.0' Radius), an arc distance of 41.32 feet; thence north 03 degrees 42 minutes 32 seconds west, along the west right of way line of Orchard Circle, a distance of 92.74 feet; thence running in a northeasterly direction, along the northwest right of way line of Orchard Circle, along an arc to the right (75.0' Radius), an arc distance of 67.51 feet; thence north 52 degrees 06 minutes 28 seconds east, along the northwest right of way line of Orchard Circle, a distance of 45.33 feet; thence running in a northerly direction, along the west right of way line of Orchard Circle, along an arc to the left

(25.0' Radius), an arc distance of 61.35 feet; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 65.01 feet; thence south 01 degrees 38 minutes 30 seconds east, along the east right of way line of Orchard Circle, a distance of 26.24 feet; thence running in a southwesterly direction, along the southeast right of way line of Orchard Circle, along an arc to the right (75.0' Radius), an arc distance of 64.80 feet; thence south 52 degrees 06 minutes 28 seconds west, along the southeast right of way line of Orchard Circle, a distance of 45.33 feet; thence running in a southwesterly direction, along the southeast right of way line of Orchard Circle, along an arc to the left (25.0' Radius), an arc distance of 22.50 feet; thence south 03 degrees 42 minutes 32 seconds east, along the east right of way line of Orchard Circle, a distance of 174.17 feet; thence north 89 degrees 00 minutes 00 seconds west, along the south right of way line of Orchard Circle, a distance of 394.22 feet; thence north 00 degrees 12 minutes 00 seconds east, along the west right of way line of Orchard Circle, a distance of 251.31 feet; thence running in a northwesterly direction, along the southwest right of way line of Orchard Circle, along an arc to the left (25.0' Radius), an arc distance of 40.55 feet to the POINT OF BEGINNING.

EXHIBIT "B"
Permitted Encumbrances

Southern Natural Gas Company easement set forth in the instrument recorded in Deed Book 207
Page 626, Whitfield County, Georgia Land Records.

EXHIBIT "C"

All that tract or parcel of land lying and being in Land Lot No. 89 in the 12th District and 3rd Section of Whitfield County, Georgia, and being designated as Parcel A on a plat of survey for Grove Development, LLC by Joseph R. Evans, Registered Land Surveyor No. 2168, dated November 6, 2004, last revised September 21, 2005, and being more particularly described according to said survey as follows:

BEGINNING at a point located in the south right of way line of Orchard Drive (f/k/a NKC Drive, 50' R/W), said point being located in an easterly direction, as measured along said right of way line, a distance of 1,449.24 feet easterly, from the point of intersection of said right of way line and the east right of way line of Cleveland Highway; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 85.79 feet; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 43.38 feet; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 40.74 feet; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 315.95 feet; thence north 87 degrees 15 minutes 56 seconds east, along the south right of way line of Orchard Drive, a distance of 43.56 feet; thence south 01 degree 38 minutes 30 seconds west, along the centerline of Orchard Circle, a distance of 25.96 feet; thence running in a southwesterly direction, along the centerline right of way line of Orchard Circle, along an arc to the right (50.0' Radius), an arc distance of 43.20 feet; thence south 52 degrees 06 minutes 28 seconds west, along the centerline of Orchard Circle, a distance of 45.33 feet; thence running in a southwesterly direction, along the centerline of Orchard Circle, along an arc to the left (50.0' Radius), an arc distance of 45.01 feet; thence south 03 degrees 42 minutes 32 seconds east, along the centerline of Orchard Circle, a distance of 92.74 feet; thence running in a southerly direction, along the centerline of Orchard Circle, along an arc to the right (50' Radius) an arc distance of 37.10 feet; thence south 49 degrees 50 minutes 15 seconds east a distance of 79.80 feet; thence south 38 degrees 28 minutes 38 seconds east a distance of 104.55 feet; thence north 89 degrees 58 minutes 00 seconds west a distance of 583.38 feet to an iron pin; thence north 00 degrees 12 minutes 00 seconds east a distance of 367.44 feet to an iron pin, which is the POINT OF BEGINNING.

EXHIBIT "D"

ALLOCATION OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS

UNIT 1: 1/4
UNIT 2: 1/4
UNIT 3: 1/4
UNIT 4: 1/4

ALLOCATION OF VOTING RIGHTS

UNIT 1: 1 VOTE
UNIT 2: 1 VOTE
UNIT 3: 1 VOTE
UNIT 4: 1 VOTE

ALLOCATION OF LIABILITIES OF COMMON EXPENSES

UNIT 1: 1/4
UNIT 2: 1/4
UNIT 3: 1/4
UNIT 4: 1/4