

EXHIBIT "C"

BY-LAWS

OF

TARA TOWNHOUSES CONDOMINIUM ASSOCIATION, INC.

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BY-LAWS
OF
TARA TOWNHOUSES CONDOMINIUM ASSOCIATION, INC.

Article I
General

Section 1. Applicability. These By-Laws provide for the self-government of Tara Townhouses Condominium in accordance with the Articles of Incorporation for the Tara Townhouses Condominium Association, Inc., and the Declaration of Condominium for Tara Townhouses Condominium recorded in the Fulton County, Georgia, records.

Section 2. Name. The name of the corporation is Tara Townhouses Condominium Association, Inc., (hereinafter referred to as the "Association").

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

Section 4. Voting. Each unit shall be entitled to a vote which may be cast in accordance with the terms herein. A vote may be cast by the owner, the owner's spouse, or by a lawful proxy, as provided below, and shall be allocated as provided in the Declaration. When more than one person owns a unit, the vote for such unit shall be exercised as they between or among themselves determine, but in no event shall more than one (1) vote be cast with respect to any unit. In the event of disagreement among such persons and an attempt by two or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not be counted. The Board may prohibit any owner from voting, either in person or by proxy, or being elected to the Board of Directors if such owner is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association.

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

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

Article II Definitions

Unless the context otherwise requires, the terms as used in these By-Laws, the Declaration, and the Articles of Incorporation shall be defined in the Act. In addition, as used in the Declaration, the Articles of Incorporation, and the By-Laws, the following terms shall have the meanings ascribed to them below, all of such definitions being cumulative of those set forth in the Act:

Section 1. Act shall mean the Georgia Condominium Act, Ga. Laws 1975, No. 463, Ga. Code Ann. Sections 85-1601e, et seq., as such Act may be amended.

Section 2. Articles of Incorporation shall mean the Articles of Incorporation of the Association, as they now exist or as may be amended.

Section 3. Association shall mean the Tara Townhouses Condominium Association, Inc., and its successors, a Georgia nonprofit membership corporation formed for the purpose of exercising the powers of the Association under the Declaration, the Articles of Incorporation, the By-Laws, the Act, and the Georgia Nonprofit Corporation Code.

Section 4. Board of Directors or Board shall mean the Board of Directors of the Association, the members of which shall be appointed and elected from time to time as provided in the Declaration, the Articles of Incorporation, the By-Laws, and the Act. The Board of Directors shall be the governing body of the Association.

Section 5. By-Laws shall mean these By-Laws of Tara Townhouses Condominium Association, Inc., as they now exist or may be amended.

Section 6. Common elements or common areas shall mean that area and property submitted to be part of the Condominium but not intended for individual ownership and use as further defined in the Declaration.

Section 7. Condominium shall mean all that property submitted to the Act, as described in the Declaration.

Section 8. Condominium instruments shall mean the Declaration and all exhibits thereto, including these By-Laws, the plats and plans recorded pursuant to the Act, and such other instruments as may become condominium instruments pursuant to the Act.

Section 9. Declaration shall mean that document filed of record in the Office of the Clerk of the Superior Court of Fulton County, Georgia, for the purpose of submitting the Condominium to the Act, as such document may be amended from time to time.

Section 10. Eligible votes shall mean those votes available to be cast under the Declaration, the By-Laws, the Act, or the Georgia Nonprofit Corporation Code.

Section 11. Mortgage shall refer to any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance for such purpose of fee title.

Section 12. Officer shall mean those individuals who are elected by the Board to serve as President, Vice President, Secretary, or Treasurer, or such other subordinate offices as the Board may determine necessary.

Section 13. Owner or member shall mean the record title holder of a unit within the Condominium, but shall not mean a mortgage holder.

Section 14. Person shall mean any individual, corporation, firm, association, partnership, or other legal entity.

Section 15. Plats and plans shall collectively mean those plats and plans described in the preamble to the Declaration, which plats and plans have been recorded in the Fulton County, Georgia, records.

Section 16. Unit, dwelling, or residence shall mean that portion of the Condominium intended for individual ownership and use, as further described in the Declaration.

Other terms shall have their natural meanings or the meanings given in the Declaration, the Act, or the Georgia Non-profit Corporation Code.

Article III Meetings of Members

Section 1. Annual Meetings. The regular annual meetings of the members shall be held during the first ten (10) days of the month of May of each year at an hour and place set by the Board.

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

Section 3. Notice of Meetings. It shall be the duty of the Secretary to mail or to cause to be delivered to the unit owners a notice of each annual or special meeting of the Association at least twenty-one (21) days prior to each annual meeting and at least seven (7) days prior to each special meeting. The notice shall state the purpose of any special meeting, as well as the time and place where the meeting is to be held. Notices shall be delivered personally or mailed to each owner of record at his unit; if any owner wishes notice to be given at an address other than his unit, the owner shall designate by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 4. Waiver of Notice. Waiver of notice of a meeting of the owners shall be deemed the equivalent of proper notice. Any owner may, in writing, waive notice of any meeting of the owners, either before or after such meeting. Attendance

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

Section 5. Quorum. Except as may be provided elsewhere, the presence of owners entitled to cast a majority of the eligible votes of the Association, in person or by proxy, shall constitute a quorum.

Section 6. Adjournment. Any meeting of the owners may be adjourned from time to time by vote of the owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at an adjourned session, and no additional notice of such adjourned session shall be required.

Section 7. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used and must be dated. No proxy shall be revocable except by written notice delivered to the Association. A proxy shall be automatically revoked if the member who has given such proxy is in attendance at a meeting.

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

Section 9. Conduct of Business. Roberts Rules of Order (latest edition) shall govern the conduct of the meeting, when not in conflict with the Declaration, Articles of Incorporation, these By-Laws, or any ruling made by the person presiding over the meeting.

Article IV Board of Directors

A. Composition and Selection.

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of five (5) persons. The directors shall be owners

of units or spouses of such owners; provided, however, that no owner and his spouse may serve on the Board at the same time. Directors shall reside at the Condominium.

Section 2. Election and Term of Office. Those directors presently serving shall remain in office, and as the terms for which they were elected expire, successor directors shall be elected by vote of those persons present, in person or by proxy, at the annual or other meeting, a quorum being present. Those persons receiving the most votes shall be elected to the number of positions to be filled. All successor directors shall be elected for three (3) year terms.

Section 3. Removal of Members of the Board of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed, with or without cause, by a majority of the total Association vote and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any member of the Board of Directors who has not attended three (3) unexcused consecutive Board meetings may be removed from the Board by a majority of the Board members present at a Board meeting, a quorum being had.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason, other than the removal of a director by a vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. Each person so selected shall serve until a successor shall be elected at the next annual meeting of the Association to fill the unexpired portion of the term.

Section 5. Compensation. Directors shall not be compensated unless and to the extent the members of the Association authorize at any meeting duly called for that purpose.

B. Meetings.

Section 6. Organizational Meeting. The first meeting of a newly elected Board shall be held within thirty (30) days of election at such time and place as may be determined by the directors.

Section 7. Regular Meetings. Meetings of the Board of Directors shall be held regularly without notice at such time and place as shall be determined from time to time by the Board.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given by mail, in person or by telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 9. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of notice by him of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 10. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Act, the Declaration, the Articles of Incorporation, these By-Laws, or any ruling made by the person presiding over the meeting. A majority of directors shall constitute a quorum for the transaction of business. A decision of the Board of Directors shall be by a majority of those directors present at a duly called meeting. The President may vote.

Section 11. Action Without A Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board of Directors.

Section 12. Tie Votes. In the event of a tie vote by the Board of Directors, the President may, in addition to his vote as a Board member, exercise a supplemental vote to break the tie vote.

C. Powers and Duties.

Section 13. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of

the Condominium and may do all such acts and things as are not by the Declaration, Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the members. The Board shall have the power to adopt, modify, and repeal such reasonable rules and regulations as it deems necessary and appropriate for the governance of the Condominium or the administration of the affairs of the Association and to impose sanctions for violations thereof, including, without limitation, monetary fines.

Section 14. Management Agent. The Board of Directors may employ for the Condominium 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. Any management contract shall contain a termination clause permitting termination, with or without cause and without penalty, upon no more than thirty (30) days' written notice. No management contract shall have a term in excess of one (1) year.

Section 15. Borrowing and Expenditures. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of common areas and facilities without the approval of the members of the Association; provided, however, that the Board shall obtain membership approval if the proposed borrowing is for the purpose of modifying, improving, or adding amenities to the Condominium and the total amount of such borrowing exceeds or would exceed Ten Thousand (\$10,000.00) Dollars outstanding debt at any one time.

D. Committees.

Section 16. Architectural Standards. The Board may establish an Architectural Standards Committee for the purpose of establishing and maintaining architectural standards on Condominium property, as hereinafter provided.

Section 17. Additional Committees. The Board may establish such other committees as it deems desirable.

Article V
Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Secretary, and the Treasurer, all of whom shall be elected by and from the Board of Directors. The Board of Directors may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary, and such other subordinate officers as in its judgment may be necessary.

Such subordinate officers shall not be required to be members of the Board of Directors. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one (1) office.

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

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

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

Section 5. Vice President. The Vice President, if any, shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Georgia law.

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

Article VI
Association Responsibilities

Section 1. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance or malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation, and the insurance shall be written as provided in Section 2 of this Article VI.

Section 2. Insurance. The Association shall obtain and maintain at all times as a common expense insurance as required by Section 39 of the Georgia Condominium Act and as required herein, including a casualty insurance policy or policies affording fire and extended coverage for and in an amount consonant with the full replacement value of all structures within the Condominium and a liability insurance policy or policies in amounts not less than Five Hundred Thousand (\$500,000.00) Dollars for injury, including death, to a single person; One Million (\$1,000,000.00) Dollars per injury or injuries, including death, arising out of a single occurrence; and Fifty Thousand (\$50,000.00) Dollars property damage, covering the Association, the Board of Directors, officers, and all agents and employees of the Association, and all unit owners and other persons entitled to occupy any unit or other portion of the Condominium property.

All such insurance coverage shall be written in the name of the Association as trustee for itself, each of the owners, and the mortgagees of owners, if any. It shall be the duty

of the Board of Directors at least annually to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association and to satisfy the requirements of Section 39 of the Act. Such responsibility may be performed, and shall be deemed reasonably performed, by the Board requesting the Association's insurance agent to verify that the insurance policies in existence meet the needs of the Association and satisfy the requirements of Section 39 of the Act. Such insurance shall run to the benefit of the Association, the respective unit owners, and their respective mortgagees, as their interests may appear. Improvements and betterments made by the individual unit owners may be excluded from this required coverage. The policies may contain reasonable deductibles, and the amount thereof shall be added to the face amount of the policies in determining the amount of coverage.

(a) The Board of Directors shall utilize every reasonable effort to secure policies that will provide the following:

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

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

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

(iv) that the policies may not be jeopardized, cancelled, or substantially modified without at least thirty (30) days' prior notice in writing to the Board of Directors and all mortgagees of units; and

(v) an agreed value endorsement and an inflation guard endorsement.

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

(c) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual unit owners or their mortgagees.

Each unit owner shall notify the Board of Directors of all structural improvements made by the unit owner to the unit.

The Board may require that any unit owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such owner at his expense, and personal property belonging to such owner, file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. If a copy is filed with the Board, such owner shall promptly notify, in writing, the Board of Directors in the event such policy is cancelled.

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

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

(ii) public liability and officers' and directors' liability insurance in such amounts as the Board may determine, but in no event less than that required by Section 39 of the Act. Such insurance shall contain a cross liability endorsement;

(iii) fidelity bonds covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds. Such bonds shall be in an amount equal to three (3) months' operating expenses plus the reserve on hand as of the beginning of the fiscal year and shall contain waivers of any defense based upon the exclusion of persons serving without compensation; and

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

(e) The Association shall not provide public liability insurance for individual owners for liability arising within the unit.

Section 3. Repair and Reconstruction. In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless the owner(s) of all affected units and members holding at least eighty (80%) percent of the total vote of the Association elect not to proceed with the reconstruction and repair of the structure, the

Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure in accordance with the original plats and plans.

The procedure for repair and reconstruction shall be:

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

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

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

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

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

(f) Method of Disbursement. The construction fund shall be paid by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel

performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

Section 4. Architectural Standards. No owner, occupant, lessee or lessor, or any other person may make any encroachment onto the common elements, exterior change, alteration, or construction (including planting), nor erect, place, or post any sign, object, light, or thing on the exterior of the buildings or any other common element, or on any place or thing in the Condominium visible from the outside of a unit, without first obtaining the written approval of a majority of the total Association vote. An owner, on behalf of himself and his successors-in-interest, shall assume all responsibilities for maintenance, repair, and replacement and insurance to and on such change, modification, addition, or alteration.

Section 5. Maintenance Responsibility.

(a) By the Owner. Except as otherwise provided in subsection (b) hereof, each owner shall have the obligation to maintain and keep in good repair all portions of his unit, and all windows and entry doors (and appurtenant hardware for windows and entry doors), except that the Association shall be responsible for the painting of the exterior surfaces of window frames, doors, wood trim and ornamental iron railings. The unit owner shall also be responsible for maintaining the air conditioning and heating apparatus, the patio, if any, appurtenant to his unit, the fireplace and the interior of the fireplace flue appurtenant to the unit. Maintenance by any unit owner on any portion of the Condominium, other than the interior of a unit, shall be done in accordance with the architectural standards as may be applicable in the Declaration, By-Laws, or rules and regulations of the Association.

(b) By the Association. The Association shall maintain and keep in good repair, as a common expense, all of the Condominium property not required to be maintained and kept in good order by an owner. Except to the extent that insurance required to be maintained or maintained by the Association covers any damage or loss, the Association shall not be responsible for any maintenance or repair to the interior of any unit. The Association shall be responsible for, as a common expense, the maintenance and repair of the common elements, including all limited common elements except patios. The Association shall be responsible for the exterior care of each unit as follows: painting as specified in subsection (a) hereof; preservation and repair or replacement of exterior building

surfaces, roofs, gutters and downspouts as the Board of Directors may from time to time deem reasonable and appropriate. The Association shall be authorized to perform, after notice, any maintenance upon a unit for which the owner is responsible and to charge the owner, as provided for assessments herein, with the actual costs of maintenance.

(c) Insurance Deductibles. If maintenance is required as a result of an insured loss, the amount of the deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such repair in the absence of insurance. If the loss affects more than one (1) unit or a unit and the common elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in accordance with the total cost of repair.

Article VII Assessments

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

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

Directors; unless otherwise provided, the annual assessments shall be paid in monthly installments due on the first day of a month.

Section 3. Acceleration. If a unit owner shall be in default in payment of an assessment, including, but not limited to, the monthly installments based on the annual budget, the Board of Directors may accelerate the remaining assessments, including monthly installments based on the annual budget, special assessments, and specific assessments, upon ten (10) days' written notice to such unit owner, whereupon the entire unpaid balance shall become due and payable upon the date stated in such notice.

Section 4. Computation of Operating Budget and Assessment. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Condominium during the coming calendar year. The Board shall cause the budget and the assessments to be levied therefrom against each unit for the coming calendar year to be delivered to each member at least thirty (30) days prior to the end of the current calendar year. The budget and the assessment established therefrom shall become effective unless disapproved at a meeting by a majority of the total Association vote. Notwithstanding the foregoing, however, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the current year shall continue for the succeeding year.

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

Section 6. Lien for Assessments. The Association shall have full and complete lien rights as provided or permitted by Section 41 of the Act, and the lien shall specifically include the maximum costs, charges, fees, and rents set out in the Declaration and in Section 41(b) of the Act.

Section 7. Capital Budget and Contribution. The Board of Directors may annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board may set the required capital contribution, if any, in an amount sufficient to permit meeting the

projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The capital contribution required may be fixed by the Board and included within the budget and assessment as provided in Section 4 of this Article. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

Section 8. Statement of Account. Any owner, mortgagee, or a person having executed a contract for the purchase of a unit or a lender considering a loan to be secured by a unit shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a unit. The Association shall respond in writing within five (5) days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding Ten (\$10.00) Dollars, as a prerequisite to the issuance of such a statement.

Article VIII
Use Restrictions and Rule Making

Section 1. Authority and Enforcement. The Condominium shall be used only for those uses and purposes set out in the Declaration. The Board of Directors shall have the authority to make, modify, repeal, and to enforce reasonable rules and regulations governing the conduct, use, and enjoyment of units and the common elements, so long as copies of all such rules and regulations are furnished to all owners; provided, however, any rule or regulation may be repealed by the affirmative vote or written consent of a majority of the total Association vote at an annual or special meeting. The Board shall have the power to impose reasonable fines against owners or occupants which shall constitute a lien upon the property and to suspend an owner's or occupant's right to use the common elements and to suspend an owner's right to vote for any violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted pursuant thereto. In the event that any occupant of a unit violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against such occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the unit owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Act or of the Declaration, By-Laws, or any rule or regulation, shall not be deemed a waiver of the right of the Board to do so thereafter.

Section 2. Procedure. The Board shall not impose a fine upon a member or occupant unless and until the following procedure is followed:

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

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board shall serve the violator with written notice of a hearing to be held by the Board in session. The notice shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and (iv) the proposed sanction to be imposed.

(c) Hearing. The hearing shall be held in executive session pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice of the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

Article IX Miscellaneous

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

(a) if to a unit owner, at the address which the unit owner has designated in writing and filed with the Secretary,

or, if no such address has been designated, at the address of the unit of such owner; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in accordance with subsection (a) hereof.

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

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

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

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

Section 6. Audit. An audit of the accounts of the Association shall be made annually in the manner provided by the Board. However, after having received the Board's audit at the annual meeting, the owners may, by a majority of the total Association vote, require that the accounts of the Association be audited as a common expense by an independent accountant.

Section 7. Conflicts. In the event of conflicts between the Act, the Declaration, the Articles of Incorporation, and these By-Laws, the Act, the Declaration, and the Articles of Incorporation, shall control, in that order.

Section 8. Condemnation. In the event of a taking by condemnation or by eminent domain, the provisions of Section 6 of the Act shall prevail and govern.

Section 9. Amendment. These By-Laws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members holding at least two-thirds (2/3) of the total vote of the Association. Notice of any meeting at which an amendment will be considered

shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until it is recorded in the records of Fulton County, Georgia.

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