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STATE OF GEORGIA
COUNTY OF ATHENS-CLARKE

THIS INSTRUMENT WAS PREPARED BY AND
SHOULD BE RETURNED TO:
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**DECLARATION OF RESTRICTIONS AND COVENANTS FOR
TOWNS WALK SUBDIVISION
ATHENS-CLARKE COUNTY, GEORGIA**

THIS DECLARATION, made on this the 20th day of September, 2006, by Towns Walk Partners, LLC, a limited liability company organized under the laws of the State of Georgia (hereinafter sometimes called "Declarant").

RECITALS:

Towns Walk Partners, LLC is the owner of the real property referenced in Section 1 of Article II of this Declaration and described in Exhibit "A" attached hereto.

Declarant desires to subject the real property described in Exhibit "A" to the provisions of this Declaration and to avail the Community of the provisions and benefits of the Georgia Property Owners' Association Act, codified at O.C.G.A. 44-3-220, et seq.

NOW, THEREFORE, Declarant hereby declares that the real property described in Exhibit "A" to this Declaration, including the improvements constructed or to be constructed thereon, is hereby subject to the provisions of this Declaration and the provisions of O.C.G.A. Section 44-3-220, et seq. and shall be held, sold, transferred, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the covenants and restrictions (sometimes referred to herein collectively as "covenants and restrictions") hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to the real property hereby made subject hereto, and shall be binding on all persons having any right, title or interest in all or any portion of the real property now made subject hereto, their respective heirs, legal representatives, successors, successors in title and assigns, and shall inure to the benefit of each and every owner of all of any portion thereof.

ARTICLE I
DEFINITIONS

- A. "The Act" shall mean the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq., as the same is or may be hereinafter amended.



- B. "Additional Property" shall mean and refer to the real property described in Exhibit "B" and all improvements thereon.
- C. "Architectural Control Committee" shall mean and refer to The Architectural Control Committee initially comprised of Towns Walk Partners, LLC and such other individuals or entities as Declarant may appoint and thereafter those persons selected by the Officers in compliance with the provisions of this Declaration.
- D. "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as the same may be hereinafter amended.
- E. "Association" shall mean and refer to the Towns Walk Homeowners Association, Inc., a non-profit Georgia corporation, its successors and assigns.
- F. "Officers" shall mean the Officers of the Association, the members of which shall be appointed and elected from time to time as provided in this Declaration, the Articles of Incorporation and the By-Laws. The Officers shall be the governing body of the Association.
- G. "By-Laws" shall mean the By-Laws of the Association, as the same may be hereinafter amended.
- H. "Common Area" means all real and personal property submitted to the Declaration which is owned or leased by the Association for common use and enjoyment of the members.
- I. "Common Expenses" means all expenditures lawfully made or incurred by or on behalf of the Association together with all funds lawfully assessed for the creation and maintenance of reserves pursuant to the provisions of the Declaration.
- J. "Community" shall mean and refer to that certain real property described in Exhibit "A" attached hereto.
- K. "Declarant" shall mean and refer to (i) Towns Walk Partners, LLC or (ii) any successor-in-title to the said party to all or some portion of the Community, provided such successor-in-title shall acquire such Community for the purpose of development or sale, and provided further, in the instrument of conveyance to any such successor-in-title such successor-in-title is expressly designated as the "Declarant" hereunder at the time of such conveyance; or (iii) should any of the Community become subject to a first mortgage given by "Declarant" as security for the repayment of a construction or development loan, then all the rights, privileges and options herein reserved to "Declarant" shall inure to the benefit of the holder of such mortgage upon its becoming the owner of all the Community then subject thereto through whatever means, or the purchaser of all such Community at a judicial or foreclosure sale made pursuant to any power of sale contained in such mortgage; and, further, all the rights, privileges and options herein reserved to "Declarant" may be transferred to the successor-in-title of any such acquirer of title to such Community provided any such successor-in-title shall acquire for the purpose of development or sale all or some portion of such Community, and provided further, in the instrument of conveyance to such successor-in-title, such successor-in-title is designated as the "Declarant" hereunder. The privileges and options herein reserved to "Declarant" may be transferred to the successor-in-title of any such acquirer of title to such Community provided any such successor-in-title shall acquire for the purpose of development or sale all or some portion of such Community, and provided further, in the instrument of conveyance to such successor-in-title, such successor-in-title is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor of such conveyance shall be the "Declarant" hereunder at the time of such conveyance. In the event that persons specified in both (ii) and (iii) above become entitled to succeed to the interests of "Declarant" as therein provided, then as between such persons, any person entitled to be "Declarant" by virtue of (iii) above shall be "Declarant" instead of any person entitled to be "Declarant" by virtue of (ii) above.



- L. "Declaration" means this recordable instrument creating covenants upon property which covenants are administered by a property owners' association in which membership is mandatory for all owners of lots in the Community.
- M. "Lot" shall mean any plot of land located within the Community which constitutes a single dwelling site designated on any plat of survey recorded in the Office of the Clerk of Superior Court of Athens-Clarke County, Georgia, as well as any building or any portion of any building located thereon which is intended for independent residential use.
- N. "Lot Owner" or "Owner" shall mean and refer to the record owner, whether one or more persons, of the fee simple title to any Lot located within the Community, excluding, however, any person holding such interest merely as security for the performance or satisfaction of any obligation.
- O. "Mortgage" means any mortgage, deed to secure debt, security deed and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.
- P. "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust or other legal entity.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONAL PROPERTY

Section I. Property Subject to Declaration. The real property which is, by the recording of this Declaration, subject to the covenants and restrictions hereafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Declaration is the real property described as the Community in Article I hereof. Declarant intends to construct One Hundred Ninety Eight (198) Lots in the Community, together with roads, utility systems and other improvements serving the Lots.

Further, Declarant intends to construct amenities in the Common Area for the benefit of the Community including landscaped entrance, common areas, natural areas and a swimming pool. On or before the date of conveyance of the last Lot in the Community by Declarant to an Owner, Declarant shall convey the Common Area to the Association as common areas for the enjoyment, benefit, and use of Lot Owners in the Community.

Section 2. Lots and Other Interests Subject to Plan of Development. Every purchaser of a Lot shall purchase such Lot and every mortgagee and lienholder holding an interest therein shall take title, or hold such security interest with respect thereto, with notice of Declarant's plan of development as herein set forth. Any provision of this Declaration to the contrary notwithstanding, the provisions of this the foregoing plan of development set forth in this Article II may not be abrogated, modified, rescinded, supplemented or amended in whole or in part without the prior written consent of Declarant.

Section 3. Property Subject to Prior Declaration of Covenants and Restrictions. This Declaration is subject to that certain Amended and Restated Declaration of Covenants and Restrictions dated September 19, 2006, of record in Deed Book 3186, Page 197, in the Office of the Clerk of Superior Court, Athens-Clarke County, Georgia which shall control in the event of any conflict between the two.



ARTICLE III

POWERS OF THE ASSOCIATION AND OFFICERS

The powers of the Association and the Officers shall be as set forth and shall be subject to the limitations and restrictions set forth in the Georgia Non-Profit Corporation Act, this Declaration, the Articles of Incorporation and the By-laws of the Association.

ARTICLE IV

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Purpose, Powers and Duties of the Architectural Control Committee. The purpose of the Architectural Control Committee is (a) to administer and enforce the covenants and restrictions set forth in this Declaration; and (b) to assure the installation, construction or alteration of any structure on any Lot is submitted to the Architectural Control Committee for approval (i) as to whether the proposed installation, construction or alteration is in conformity and harmony of external design and general quality with the existing standards of the neighborhood and with the standards of the development of the Community; and (ii) as to the location of structures with respect to topography, finished ground elevation and surrounding structures.

Section 2. Selection of the Architectural Control Committee.

(a) Initial Architectural Control Committee. From the execution date of this Declaration until such time as all Lots have been fully developed, permanently improved, and sold to permanent residents, the Architectural Control Committee shall consist of Towns Walk Partners, LLC, or any other party appointed by Declarant. Upon the sale by Declarant to an Owner of the last Lot and the construction and completion of a permanent residence thereof, Towns Walk Partners, LLC shall cease functioning as the Architectural Control Committee in all respects and a successor Architectural Control Committee shall be appointed by the Officers. However, with the consent of the Declarant, Towns Walk Partners, LLC may at any time prior thereof resign from the Architectural Control Committee, turning its functions over to the Officers of the Association.

Section 3. Meetings. The Architectural Control Committee shall hold such meetings as required or allowed for the Officers by the By-Laws.

Section 4. Action of Members of Architectural Control Committee. Any member of the Architectural Control Committee may be authorized by the Architectural Control Committee to exercise the full authority of the Architectural Control Committee with respect to all matters over which the Architectural Control Committee has authority as may be specified by resolution of the Architectural Control Committee. The action of such member with respect to the matters specified shall be final and binding upon the Architectural Control Committee and upon any applicant for an approval permit or authorization, subject, however, to review and modification by the Architectural Control Committee on its own motion or appeal by the applicant to the Architectural Control Committee as provided herein. Written notice of the decision of such member shall, within five (5) days thereof, be given to any applicant for an approval permit or authorization. The applicant may, within ten (10) days after receipt of notice of any decision which he deems to be unsatisfactory, file a written request to have the matter in question reviewed by the Architectural Control Committee. Upon the filing of any such request, the matter with respect to which request was filed shall be submitted to, and reviewed promptly by, the Architectural Control Committee, but in no event later than thirty (30) days after the filing of such request. The decision of a majority of the members of the Architectural Control Committee with respect to such matter shall be final and binding.



ARTICLE V

BUILDING REQUIREMENTS

The following property rights and architectural restrictions shall apply to the property which is subjected to this Declaration as well as to any portions of the Additional Property which is hereafter subjected to this Declaration pursuant to Article II.

Section 1. Subdivision of Lot. No Lot shall be subdivided, or its boundary lines changed, except with the prior written approval of the Architectural Control Committee. Declarant, however, until such time as the last Lot is sold by the Declarant to an owner, hereby expressly reserves the right to replat any two (2) or more Lots in order to create a modified residential Lot or Lots, and to take such other steps as reasonably may be necessary to make such replatted Lot or Lots suitable as a building site or sites. All of the covenants and restrictions set forth herein shall apply to each such Lot, if any, so created. Any such division, boundary line change or replatted Lot shall not be in violation of the applicable County subdivision and zoning regulations.

Section 2. Approval of Plans. No residence, building, fence, wall, road, driveway, sidewalk, parking area, or other structure or improvement of any kind shall be erected, placed, altered, added to, modified, maintained or reconstructed on any Lot until the plans therefore, and for the proposed location thereof upon the Lot, shall have been approved in writing by the Architectural Control Committee. "Improvement" shall mean and include any improvement, change or modification of the appearance of a Lot from the state existing on the date of the conveyance of such Lot by Declarant to a Lot Owner. Before taking any action requiring approval under this Section, a Lot Owner shall submit to the Architectural Control Committee a construction schedule and two (2) complete sets of final plans and outline specifications, showing site plan (which site plan shall show driveways, patios, decks, accessory buildings, and all other components referenced in the first sentence of this Section), landscape layout, floor plans, exterior elevations and exterior materials, colors and finishes. No changes or deviations in or from such plans and specifications as approved shall be made without the prior written approval by the Architectural Control Committee. No alteration in the exterior appearance of any building, structure or other improvement shall be made without like approval by the Architectural Control Committee. Further, before beginning any construction, the name of the builder must be submitted to the Architectural Control Committee and approval by the Architectural Control Committee as to builders experience and ability to build houses or other structures of the class and type of those which are to be built in the Community must be granted. The Architectural Control Committee shall act in accordance with Article IV, Section 4 upon receipt of such information to approve or disapprove the same. Neither the Architectural Control Committee, nor any person or party to whom the Architectural Control Committee shall assign such function, shall be responsible or liable in any way for the performance of any builder or for any defects in any plans or specifications approved in accordance with the foregoing, nor for any structural defects in any work done according to such plans and specifications. The Architectural Control Committee may refuse approval of plans, siting or specifications upon any ground, including purely aesthetic considerations, which in its sole discretion it shall deem sufficient. Approval of any one series of improvements hereunder shall not waive the Architectural Control Committee's rights to disapprove subsequent improvements to the same Lot.

Section 3. Attachment of Utilities. No permanent utility connections shall be made to any dwelling or other structure by any utility, public or private, until the Architectural Control Committee has verified general compliance with these covenants and restrictions and with the plans and specifications therefore submitted pursuant to Section 2 above, and has approved said utility connections in writing.

Section 4. Other Building Requirements. The requirements set forth below are in no way to be construed as limiting the exercise of the Architectural Control Committee's discretion pursuant to Section 2 and 3 above:

(a) All residences in the Community must contain a minimum of 1,500 square feet of heated living space. Owners may request in writing to the Architectural Control Committee a waiver of this requirement. The Architectural



Control Committee may under reasonable circumstances grant such a request where the resulting appearance of the Lot is likely to preserve the overall appearance, scheme, and design of the Community.

(b) Each residence and other structures shall be constructed only of materials, and in colors, approved in writing by the Architectural Control Committee.

(c) The exterior of all residences, and other structures must be completed within six (6) months after commencement of construction and the landscaping on such Lots must be completed within ninety (90) days thereafter, except, in each case, where, in the sole discretion of the Architectural Control Committee such completion is not possible or would result in greater hardship to the Owner or Builder due to strike, fire, national emergency or natural calamity. All front yards shall be sodded.

(d) All electrical service, cable television and telephone lines shall be placed underground, and no exterior pole, tower, antenna or other device for the transmission or reception of television signals, radio signals or any other form of electromagnetic radiation, or for any other purpose, shall be erected, placed or maintained on any Lot such that it is visible from any right of way in the Community except as may be constructed by the Declarant or approved in writing by the Architectural Control Committee. Further, the design, type, location, size, color, and intensity of all exterior lights shall be subject to control by the Architectural Control Committee and only such exterior lighting as shall have been approved in writing by the Architectural Control Committee shall be installed or used on any Lot.

(e) Mechanical equipment (other than heating or air conditioning equipment), shall be installed only within the main dwelling or buried. Heating and air conditioning equipment shall be installed in such location as will, to the maximum extent possible, not be readily visible to the view of neighboring Lots, streets and property located adjacent to the Community.

(f) No trees, shrubs, bushes or other vegetation having a trunk diameter of two (2) inches or more at a point of two (2) feet above ground level may be cut, pruned, mutilated or destroyed at any time without the prior written approval of the Architectural Control Committee; provided, however, that dead or diseased trees, shrubs, bushes or other vegetation shall be cut and removed promptly from any Lot by the Owner thereof after such dead or diseased condition is first brought to the attention of the Architectural Control Committee and permission for such cutting and removal has been obtained.

(g) No structure of a temporary character shall be placed upon any Lot at any time, except for shelters used by a building contractor during the course of construction. Such temporary shelters may not, at any time, be used as residences, nor be permitted to remain on the Lot after completion of construction.

(h) No accessory building shall be placed, erected or maintained upon any part of any Lot except in connection with a residence already constructed or under construction at the time that such outbuilding is placed or erected upon that Lot. Any such building, if allowed, must be approved by the Architectural Control Committee in accordance herewith and must be constructed of materials similar to that of the main structure or dwelling located on such Lot.

(i) No camper, recreational vehicle, trailer, tent, boat, above ground swimming pool, treehouse, play equipment (such as swing set) or other similar outbuildings shall be placed in the front yard or so as to be visible from any public right of way.

(j) No fences shall be constructed on front yard of any Lot except silt fences required during construction. The rear yard may be fenced upon approval of the Architectural Control Committee so long as such fence is comprised of black vinyl coated chain link and located in line with the rear corners of the residence to within one (1) foot of the rear and side lot lines so that the entire rear yard is enclosed.

(k) All garages shall open to the side or front of the house constructed on a Lot.



(l) All driveways leading from streets to the garages on a Lot shall be concrete.

Section 5. Right of Inspection. The Architectural Control Committee, its agents and representatives, shall have the right during reasonable hours to enter upon and inspect any Lot and improvement thereon for the purpose of ascertaining whether the installation, construction, alteration or maintenance of any improvement or the use of any Lot or improvement is in compliance with the provisions of this Declaration; and the Architectural Control Committee shall not be deemed to have committed a trespass or other wrongful act solely by reason of such entry or inspection.

Section 6. Violation. If any improvement shall be erected, placed, maintained or altered upon any Lot, otherwise than in accordance with the plans and specifications approved by the Architectural Control Committee pursuant to the provisions of this Article, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article and without the approval required herein. If in the opinion of the Architectural Control Committee such violation shall have occurred, the Architectural Control Committee shall be entitled and empowered to enjoin or remove any such construction, and take any other action permitted by the By-Laws of the Association. Any costs and expenses incurred by the Architectural Control Committee in enjoining and removing any construction or improvements shall become a lien against the Owner's Lot in accordance with Article VIII. Additionally, the Architectural Control Committee shall be entitled to pursue all legal and equitable remedies.

Section 7. Fees. The Architectural Control Committee may impose and collect a reasonable and appropriate fee to cover the cost of inspections performed pursuant to Section 7 hereof, which such fee will be paid out of regular or special assessments established per Article VII hereof. The fee shall be established from time to time by the Architectural Control Committee.

ARTICLE VI **USE RESTRICTIONS**

Section 1. Residential Use. All Lots shall be used for single-family residential purposes exclusively. Except as hereinafter provided, no house, structure or other improvement shall be erected, altered, placed, maintained or permitted to remain on any Lot other than one (1) single-family dwelling. No business or business activity shall be carried on or upon any Lot at any time except with the written approval of the Architectural Control Committee. Nothing contained herein shall prohibit Declarant from using any Lot owned by Declarant for the purpose of carrying on business related to the development and management of the Community.

Section 2. Signs. No commercial signs, including "For Rent" signs or advertising posters of any kind shall be erected, placed or maintained on any Lot except as may be required by legal proceedings of one "For Sale" sign advertising such Lot and the improvements thereof for sale, such sign not to exceed 9 square feet in surface area. The Lot Owner's acknowledge that the proliferation of signs in the Community creates not only an unsightly condition, but also could pose a threat to the welfare of Lot Owners by obstructing views along rights of way in the Community. Therefore, no more than one (1) political sign in support of a candidate for office may be posted on the Lot at any one time. Such political sign may be posted only during the six (6) month period immediately preceding the election for the office for which such candidate is vying, and may not exceed four (4) square feet in total area. Nothing herein shall be construed, however, to prevent Declarant from erecting, placing or maintaining upon any Lot, or permitting the erection, placing or maintaining upon any Lot by builders or residents, of such signs as Declarant may deem necessary or desirable during the period of the development, construction and sale of the Lots and residences constructed thereon. Also, the provisions of this Section shall not apply to any mortgagee who becomes the Owner of any Lot as purchaser at a judicial or foreclosure sale conducted with respect to a first mortgage or deed to secure debt or as transferee pursuant to any proceeding in lieu thereof.

Section 3. Mail Boxes, Property Identification Markers and Decorative Hardware. The Architectural Control Committee shall have the right to approve the location, color, size, design, lettering and all other particulars of mail and



newspaper boxes, if any, and of name signs on such boxes, as well as property identification markers and decorative hardware, whether attached to such mail-box, to any structure within the Lot or affixed or erected upon the grounds of the Lot. All mailboxes shall be in style and shape approved by the Architectural Control Committee.

Section 4. Garbage Cans, Woodpiles, etc. All garbage cans, woodpiles, etc. shall be located or screened so as to be concealed from view of neighboring Lots, streets and property located adjacent to the Community. All rubbish, trash, and garbage shall be regularly removed from the premises and shall not be allowed to accumulate thereon.

Section 5. Prohibited Structures. No mobile home, house trailer, factory or manufacturer assembled homes, modular homes, tent, shack, barn, or other outbuilding or structure (except accessory buildings otherwise permitted hereunder) shall be placed on any Lot at any time, either temporarily or permanently; provided, however, house trailers, temporary buildings and the like shall be permitted for construction purposes during the construction period of residences or as one or more real estate sales offices of Declarant for the sale of property. Additionally, no above ground pool shall be placed on any Lot at any time, either temporarily or permanently. No outdoor clothes lines shall be allowed in the Community.

Section 6. Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on any Lot, with the exception of dogs, cats or other usual and common household pets in reasonable number, provided that said pets are not kept, bred or maintained for any commercial purpose, are not permitted to roam free, and in the sole discretion of the Officers, do not endanger the health, make objectionable noise or constitute a nuisance or inconvenience to the Owners of other Lots or the owner or any property located adjacent to the Community. Dogs which are household pets shall at all times, whenever they are outside a dwelling, be on a leash or in a fence located to the rear of the house.

Section 7. Incapacitated Motor Vehicles. No automobile or motor driven vehicle may be left upon any Lot for a period longer than five (5) days in a condition such that it is incapable of being operated upon the public highways. After such five (5) day period, such vehicle shall be considered a nuisance and detrimental to the welfare of the neighborhood and must be removed from the Community. Any towed vehicle, boat, motor home or mobile home regularly stored upon any Lot, or temporarily kept thereon for periods longer than twenty-four (24) hours each, shall be considered a nuisance and must be removed from the Community. The foregoing, however, does not apply to such boats or other vehicles, whether motor-driven or towed, as are stored wholly within a private garage or trailer storage areas, if any, designated by Declarant or the Architectural Control Committee. No commercial vehicles may be parked, stored or temporarily kept within the Community, unless such vehicles are stored wholly within private garages, are within the Community temporarily to service existing improvements or are used in connection with the construction of improvements within the Community.

Section 8. Nuisance. It shall be the responsibility of each Lot Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition of buildings or grounds on his or her Lot or Lots. No Lot shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property adjacent to the Lot. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of property in the neighborhood by the Owners thereof.

Section 9. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other



mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

Section 10. Antennas. No Owner shall erect, use, or maintain any outdoor antenna or other device for the transmission or reception of television signals, radio signals, or any form of electromagnetic radiation, whether attached to a building or structure or otherwise without the prior written consent of the Architectural Control Committee; provided, however, Declarant and the Association shall have the right to erect and maintain such devices or authorize the erection and maintenance of such devices. Each Owner acknowledges that this provision benefits all Owners.

Section 11. Lakes and Ponds. All lakes and ponds, if any, within the Common Area shall be maintained by the Association and the use and enjoyment thereof shall be subject to reasonable rules and regulations promulgated from time to time by the Officers of the Association. Motorized boats and ski equipment such as a jet ski, sea doo, wave runner and the like shall be strictly prohibited; provided however, such prohibition shall not preclude the use of trolling motors on fishing boats.

Section 12. Trails. Walking and hiking trails, if any, constructed within the Common Area for the use and enjoyment of Lot Owners, their family, invitees and guests shall be maintained by the Association. No motorized bike or vehicle shall be allowed on any such trail within the Common Area.

Section 13. Lot Care and Maintenance. All Lots, once construction thereon is complete, must be kept in a neat and orderly condition, including, but not limited to routine and regular cutting of grass, pruning of shrubs and trees, pulling of and/or spraying for weeds, keeping the Lot clear and free of all debris and litter, and generally maintaining the Lot in a manner so that the same is not unsightly. Should the Officers determine, in their sole and absolute discretion, that the Lot is being maintained in violation of this Section, the Officers shall provide the Lot Owner a written notice detailing the objectionable condition(s) by delivering such notice to the Lot. The Lot Owner shall have five (5) days after delivery thereof in which to remedy the condition(s). Should the Lot Owner fail to comply herewith, the Officers shall have the right to hire a lawn maintenance company, such other company they deem appropriate, to remedy the condition(s) and shall charge the cost thereof to the Lot Owner. Should the Lot Owner fail to pay the same within ten (10) days of receipt of an invoice for such charges, those charges shall become a lien against the Lot.

ARTICLE VII

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot in the Community shall be a member of the Association. If title to a Lot is held by more than one person, each of such persons shall be members. Membership shall be appurtenant to the Lot to which it appertains and shall be transferred automatically upon the transfer of the Lot. Notwithstanding the above, each Lot shall be entitled to one (1) vote in the Association.

Section 2. Amplification. The provisions of this Article are to be amplified by the Articles of Incorporation and By-Laws of the Association provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners of Lots as set forth herein. In the event of any conflict or inconsistencies among this Declaration, the Articles of Incorporation or the By-Laws of the Association, this Declaration and the Articles of Incorporation (in that order) shall prevail.



ARTICLE VIII **ASSESSMENTS**

Assessments against the Lot Owners shall be made to raise funds to pay the common expenses of the Property, and contribute a pro rata share of the maintenance of the common areas of the Community and shall be governed by the following provisions:

(a) Liability. Each Lot Owner shall be liable to the Association for all sums as are lawfully assessed by the Association against him or his Lot or Lots in accordance with the terms and provisions of this Declaration and the Articles of Incorporation and Bylaws. In addition to exercising the remedies provided for herein, the Association may enforce such liability by an action at law to recover all amounts assessed against each unit owner in accordance with the provisions of this Declaration.

(b) Creation of the Lien and Personal Obligation for Assessment. Each owner of any Lot by acceptance of a deed or other conveyance thereof, whether or not it shall be expressed in any such deed or other conveyance, covenants and agrees to pay to the Association assessment which shall be fixed, established, and collected as herein provided; however, nothing contained herein shall be construed to obligate Declarant to pay assessments on lots prior to the sale of said Lots.

(c) Uniform Rate of Assessment. All annual assessments shall be fixed at a uniform rate for all Lots except as follows:

(i) Any common expenses benefiting less than all of the Lots may be specially assessed equitably among all of the Lots so benefited, as determined by the Board;

(ii) Any common expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any such Lot or Lots may be specially assessed against the Lot or Lots, the conduct of any occupant, licensee or invitee of which occasioned any such common expenses;

(iii) Any common expenses significantly disproportionately benefiting all of the Lots should be assessed equitably among all of the Lots in the Community as determined by the Board.

(iv) Lots owned by Declarant and/or builders constructing residential dwellings thereon shall not be assessed prior to the sale of said Lots to third parties for residential purposes.

Nothing contained herein shall permit the Association to specially or disproportionately allocate common expenses for periodic maintenance, repair and replacement of any portion of the common area or the Lots which the Association has the obligation to maintain, repair, or replace.

(d) Purpose. Assessments shall be levied against the Lot Owners and the Lots to defray the common expenses of the Property. The common expenses of the Property shall be all of the expenditures which are made or incurred by or on behalf of the Association in connection with the exercise of its powers and responsibilities, and shall include but not be limited to the following:

(i) ad valorem taxes assessed against the property of the Association;

(ii) the expense of performing the maintenance and any necessary restoration of trails, private roads, roadway landscaping, landscaping on traffic islands and/or entranceways and maintenance, upkeep and operation of all amenities within the Common Area;



(iii) common utility bills and charges for other common services, including but not limited to water and power;

(iv) premiums for all insurance policies maintained by the Association;

(v) the expenses of performing the maintenance, repair, renovation, restoration and replacement work which is the responsibility of the Association hereunder;

(vi) the expenses of performing the maintenance and restoration of all sodded (grassed) areas within the Community;

(vii) weekly garbage pickup for all Lots; and

(viii) such other costs and expenses as may be determined from time to time by the Officers to be common expenses; and

(ix) management fee, if any, and expenses of administration of the Association;

(x) the creation and maintenance of such reserve funds as are required to be maintained by the Association under Article VIII herein, and such other reserve funds as the Officers shall determine, including but not limited to a reserve for repairs and maintenance.

(e) Budget, Payment Dates. No less than thirty (30) days prior to the commencement of each fiscal year of the Association, the Officers shall adopt a budget for the succeeding fiscal year, which budget (i) shall estimate the amount of common expenses which are anticipated to be incurred during such year, and (ii) shall make provision for an adequate reserve fund for maintenance, repair and replacement of those portions of the common elements that must be replaced on a periodic basis. Prior to the commencement of such fiscal year, the Officers shall furnish a copy of such budget to each Lot Owner, together with a written statement of the amount of such common expenses which shall be assessed against such Lot Owner for such fiscal year. Unless otherwise determined by the Officers, such assessment shall be due on January 1 of each year. The Officers shall be authorized to prorate the annual assessment into twelve monthly or four quarterly installments. In addition, any fees, charges, and other amounts payable by any Lot Owner to the Association shall be added to and shall, unless paid at the time the same are incurred or at some other time determined by the Officers, be due and payable as part of the installment of the assessment next coming due.

(f) Special Assessments. If for any reason, including nonpayment of any Lot Owner's assessments, an annual budget adopted by the Officers for any fiscal year proves inadequate to defray the common expenses for such fiscal year, the Officers may, at any time, levy a special assessment to raise the additional funds necessary to defray such common expenses, which special assessment shall be due and payable at such time and in such installments as the Officers shall determine. Additionally, the Officers shall be authorized to levy special assessments under the circumstances described in this Declaration.

(g) Special Assessments for Capital Improvements. In addition to the assessments which shall be levied against the Lot Owners, the Officers shall be authorized, upon the affirmative vote of 75% of the Lot Owners entitled to cast votes to levy a special assessment for the purpose of defraying, in whole or in part, the costs of any capital improvements to be made upon the common elements, or for the costs of making repairs or replacements which are not provided for in then current budget of the Association. Any such special assessments for the capital improvements and repairs shall be payable at such time and in such installments as the Officers shall determine.

(h) Collection. In addition to all other remedies provided by law, the Association may enforce collection of the assessments for which a Lot Owner is liable, together with all other amounts as may be owed by such Lot Owner to the Association, as hereinafter provided.



(i) In the event that any Lot Owner shall fail to pay any installment of any assessment levied against him within ten (10) days after such installment shall be due and payable and within 5 days after written notice is mailed to the Lot Owner, the entire unpaid balance of such assessment for the remainder of the fiscal year may, at the option of the Officers, be accelerated and be declared immediately due and payable in full, without notice to such Lot Owner.

(ii) In the event that any Lot Owner shall fail to pay within five (5) days after the same shall be due, any amounts due and payable to the Association, such Lot Owner shall be liable for the payment of, and shall pay, in addition to the amounts so due the Association:

(a) a late charge equal to the Ten (\$10.00) Dollars or ten (10%) percent of the amount so due, whichever is the greater;

(b) interest on the amount so due, and the aforesaid late charge appertaining thereto, from the date same were due and payable, at the rate of ten (10%) percent per annum, until paid;

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

(d) in the event the Association shall seek to foreclose its lien on the Lot of such owner, the fair rental value of the Lot from the time of the institution of suit until sale of the unit at foreclosure (or until the judgment rendered in such suit is otherwise satisfied).

(iii) All sums lawfully assessed by the Association against any Lot Owner or the Owner's Lot, whether for the share of the common expenses pertaining to that Lot, fines, or otherwise and all reasonable charges made to any Lot Owner or Lot for material furnished or services rendered by the Association at the Owner's request to or on behalf of the Lot Owner or Lot, shall, from the time the sums become due and payable, be the personal obligation of the Lot Owner and constitute a lien in favor of the Association on the Lot prior and superior to all other liens whatsoever except:

(a) liens for ad valorem taxes on the Lot;

(b) the lien of any first priority mortgage covering the Lot and the lien of any mortgage recorded prior to the recording of the Declaration; or

(c) the lien of any secondary purchase money mortgage covering the Lot, provided that neither the grantee nor any successor grantee of the mortgage is the seller of the Lot.

The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien for assessment shall be required.

(iv) The rights of a Lot Owner and all persons entitled to occupy the Lot of such owner, to use the common elements shall be suspended for the period of time any amount due and owing to the Association in regard to any Lot owned by such owner shall remain unpaid; provided, however, that no such suspension shall deny any Lot Owner, or the occupants of any Lot, access to the Lot owned or occupied, nor cause any hazardous or unsanitary condition to exist.

(i) Fee for Statements of Amounts Due. The Association may require the payment of a fee, not to exceed Ten (\$10.00) Dollars as a prerequisite to its issuance of any statement pursuant to the Act or this Declaration.



(j) Initiation Fee and Initial Annual Assessment. Upon purchase by a third party of a Lot for residential purposes, such purchaser shall pay an initiation fee of \$300.00 to the Association. Additionally, such purchaser shall pay his/her prorata portion of the initial annual assessment of \$500.00 with future annual assessments becoming due and payable on January 1 of each successive year.

ARTICLE IX **INSURANCE**

Insurance (other than title insurance), which shall be obtained by the Association, shall be governed by the following provisions:

(a) Types of Insurance. The Association shall obtain and maintain the following insurance policies:

(i) A multi-peril casualty insurance policy covering the common elements, providing as a minimum, fire and extended coverage, vandalism and malicious mischief, on a replacement cost basis in an amount not less than 100% of the full replacement cost of the common elements within the Community. The name of the insured under such casualty insurance policy shall be stated as follows: "Towns Walk Owners' Association, Inc. for the use and benefit of the individual Lot Owners in Towns Walk Subdivision, Athens-Clarke County, Georgia". The amount of coverage of such casualty insurance policy shall be readjusted by reappraisal or reevaluation of the insured property, not less frequently than once every five years. Such casualty insurance policy shall contain the standard mortgagee clause which shall be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of mortgagees as their interest may appear.

(ii) A comprehensive policy of public liability insurance covering all of the common elements. Such liability insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Lot Owner because of the negligent acts of the Association or other Lot Owners. Such liability insurance policy shall cover the Association, the Officers, the officers of the Association, all agents and employees of the Association, and all unit owners and other persons entitled to occupy any Lot or other portion of the Property, shall be for at least \$500,000.00 for injury including death to a single person, \$1,000,000.00 for injury or injuries, including death, arising out of a single occurrence and \$50,000.00 for property damage, with a cross liability endorsement to cover the Lot Owners as a group and shall include protection for damage to the property of others.

(iii) Such other insurance policies as the Officers shall deem desirable for the benefit of the Association, its Officers and Directors or the Lot Owners.

(b) Minimum Qualifications of Insurance Carriers. Each policy of insurance which the Association is required to maintain under the provisions of this Declaration shall be written by a hazard insurance carrier which has a financial rating by Best's Insurance Reports of Class A:VI or better and which is licensed to transact business within the State of Georgia.

(c) Minimum Qualifications of Insurance Policies. All policies of insurance which the Association is required to maintain under the provisions of this Declaration shall (i) not allow contributions or assessments to be made against the owner of any Lot, or the holder of any mortgage upon any Lot, (ii) not allow loss payments to be contingent upon any action by the insurance carrier's Officers, policyholders, or members, (iii) not include any limiting clauses (other than insurance conditions) which could prevent any Lot Owner or the holder of any mortgage upon any unit from collecting insurance proceeds, and (iv) contain or have attached a mortgage clause which provides that the insurance carrier shall notify in writing all holders of first lien mortgages on any of the units at least ten (10) days in advance of the effective date of any reduction in, cancellation, or nonrenewal of such policies.

In no event shall any recovery or payment under the insurance coverage obtained and maintained by the Association be affected or diminished by insurance purchased by individual Lot owners or mortgagees, and no Lot



Owner shall be entitled to exercise his right to maintain any additional insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which it may have in force on the Property at any particular time.

(d) Proceeds on Account of Damage to Common Elements. Insurance proceeds which shall be paid on account of damages to or destruction of any portion of the common elements shall be held by the Association in a construction fund, which shall be used for the purpose of repairing, reconstruction or rebuilding the portion of such common elements so damaged or destroyed, as provided in this Declaration. If it shall be determined in accordance with the provisions of this Declaration not to repair, reconstruct or rebuild the portion of the common elements so damaged or destroyed, then the insurance proceeds paid on account of the occurrence of such damage or destruction to such portion of common elements shall first be used to clean up and landscape the common elements as necessary in view of the fact that such part of the common elements is not to be repaired, reconstructed or rebuilt, and the remaining insurance proceeds shall be disbursed to the Lot Owners proportionately, such disbursement to be made payable jointly to the Lot Owners and their mortgagees. Notwithstanding anything contained in this Declaration, the Articles of Incorporation, the Bylaws, or the Act which may be construed to the contrary, in no event shall any insurance proceeds paid to the Association on account of the occurrence of any fire or other casualty be deemed to be common profits.

ARTICLE X

DAMAGE TO OR DESTRUCTION OF COMMON ELEMENTS

Repair, reconstruction or rebuilding of the common elements following damage or destruction to all or any portion of the common elements shall be governed by the following provisions:

(a) Estimates of the cost of repair. As soon as practicable following the occurrence of any damage to, or destruction of any portion of the common elements, the Officers shall obtain reliable and detailed estimates of the cost of repairing and restoring such portion of the common elements so damaged or destroyed to substantially the same condition as such portion of the common elements were in prior to the occurrence of such damage and destruction and shall proceed with the filing and adjustment of all claims arising under insurance maintained by the Association as a result of such damage or destruction.

(b) Determination to Repair, Reconstruct, or Rebuild. Any damage to, or destruction of the common elements will be repaired, reconstructed, or rebuilt unless the owners of the Lots to which 75% of the votes in the Association are allocated shall determine within 45 days after the occurrence of the casualty not to repair, reconstruct, or rebuild the same.

(c) Manner of Repair, Reconstruction, or Rebuilding. All repairs, reconstruction, or rebuilding to be made as a result of damage by fire or other casualty shall be made in accordance with the following provisions:

(i) The damage shall be repaired, reconstructed, or rebuilt substantially in accordance with the plans and specifications for such damaged property prior to the occurrence of such damage;

(ii) All of the work of repairing, reconstruction, or rebuilding any portion of the common elements, the damage to or destruction of which cause the payments of insurance benefits under insurance policies maintained by the Association, shall be performed under the supervision of the Officers which, in discharging such supervisory responsibility, shall be authorized to employ such building supervisors and architects as the Officers shall deem to be in the best interest of the Association.

(d) Cost of Repairs, Reconstruction, or Rebuilding. The cost of repairing, reconstructing, or rebuilding any portion of the common elements which shall be damaged or destroyed shall be paid with any insurance proceeds which shall be paid to the Association on account on such damage or destruction. If such insurance proceeds are not



sufficient to defray such cost of repair, reconstruction, or rebuilding, then the Officers may levy a special assessment against all of the Lot Owners and Lots to raise the excess funds necessary to defray such cost.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Easements for Architectural Control Committee. There is hereby created in favor of the Architectural Control Committee, its members, agents, employees and any management company retained by the Architectural Control Committee, an easement to enter in or to cross over the Lots to inspect and to perform the duties of maintenance and repair of the Lots, as provided for herein.

Section 2. Easements for Declarant. Declarant hereby reserves for itself, its successors and assigns, agents, employees, contractors and sub-contractors, the following easements and rights-of-way in, on, over, under and through any part of the Community as well as in, on, over, under and through any part of the Community for so long as Declarant owns any Lot primarily for the purpose of sale:

(a) For the erection, installation, construction and maintenance of wires, lines and conduits, and necessary or proper attachments in connection with the transmission of electricity, gas, water, telephone, community antenna, television cables and other utilities;

(b) For the construction of improvements on the Lots;

(c) For the installation, construction and maintenance of storm-water drains, public and private sewers, and for any other public or quasi-public utility facility;

(d) For use as sales offices, model lots and parking spaces in connection with his efforts to market Lots; and

(e) For the maintenance of such other facilities and reasonably required, convenient or incidental to the completion, improvement and sale of Lots.

Section 3. Easements for the Association. There is hereby created in favor of the Association, its Officers, its members, agents, employees and contractors, an easement to enter upon, enter in, or cross over the Lots for the purpose of providing the maintenance required by the Association in this Declaration. Specifically included herein is the easement for maintenance of all grassed areas within the Community.

Section 4. Enforcement. The Architectural Control Committee, the Association, or any Owner, including Declarant, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by any person to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Duration. The Provisions of this Declaration shall run with and bind the land and shall be and remain in effect perpetually to the extent permitted by law. Provided, however, so long as Georgia law limits the period during which covenants restricting lands to certain uses may run, any provisions of this Declaration affected thereby shall run and bind the land so long as permitted by such law and such provisions may be renewed or extended in whole or in part beyond the initial period permitted by such law for successive periods not to exceed the period permitted by such law provided such renewal or extension is approved by at least eighty Percent (80%) of the Lot Owners. Every Purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance or a deed or other conveyance therefore, thereby agrees that such provisions of this Declaration may be extended and renewed as provided in this Section.



Section 6. Rights of Mortgages. In addition to the rights elsewhere provided, each mortgagee of a Lot, or purchaser or insurer of a mortgage on any Lot subject to this Declaration, including Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, the Veterans Administration and the Federal Housing Administration shall (a) be entitled to written notice from the Association of any default by an Owner in the performance of his obligations under the Declaration which is not cured within 30 days; (b) be entitled to attend and observe all meetings of Owners, but not meetings of the Association's Officers. (c) be furnished copies of annual financial reports made to the Owners; (d) be entitled to inspect current copies of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations, books, records and financial statements of the Association during normal business hours; (e) be entitled to written notice from the Association of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; (f) be entitled to written notice from the Association of any condemnation or casualty loss that affects a material portion of the Community, or the Lot securing its mortgage and (g) be entitled to timely written notice of any proposed action which would require the consent of a specified percentage of mortgagees; provided, however, that such mortgagee or purchaser or insurer of such mortgage shall first file with the Association a written request that such notices be sent to a named agent or representative of the mortgagee at an address stated in such notice.

Section 7. Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or Purchaser to make or purchase mortgage loans on the Lots subject to this Declaration, or (iv) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration, provided any such amendment shall not adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent thereto in writing.

All amendments other than those specified hereinabove shall be adopted as follows:

(i) At least sixty-seven (67%) percent of the Lot Owners shall be necessary to amend this Declaration. Notwithstanding anything to the contrary herein, it is expressly provided that any amendment which adversely affects the title to any Lot must be approved by the Owner of such Lot in writing.

(ii) The proposed amendment may be proposed by either the Lot Owners or Declarant. The Declarant, or the Association, may call a meeting of the Lot Owners to consider such an amendment and shall be required to call such a meeting upon a petition signed by at least twenty-five (25%) percent of the Lot Owners. If a meeting of the Lot Owners is called to consider such an amendment, the time within which and the manner by which notice of such meeting shall be given, the authorized use of proxies, and the quorum required for the transaction of business at such meeting shall correspond to the requirements for meetings of the Association.

(iii) The consent of the Lot Owners required to approve said amendments shall be obtained by affirmative vote, written consent, or a combination thereof. A meeting of the Lot Owners shall not be required in the event that the requisite approval of the Lot Owners is obtained by written consent. The required consent of Declarant shall be in writing.

No amendment to the provisions of this Declaration shall alter, modify, change or rescind any right, title, interest or privilege herein granted or accorded to the holder of any mortgage affecting any Lot unless such holder shall consent thereto in writing. The written consent thereto of any mortgage holder affected thereby shall be filed with such amendment. Every purchaser or grantee of any interest in any real property now or hereafter subject to this Declaration, by acceptance of a deed or other conveyance therefore, thereby agrees that this Declaration may be



amended as provided in this Section. No amendment shall become effective until filed with the Clerk of the Superior Court of Athens-Clarke County, Georgia.

Section 8. Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

Section 9. Gender and Grammar. The singular whenever used herein shall be construed to mean the plural when applicable, and the use of the masculine pronoun shall include the neuter and feminine.


Section 10. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

Section 11. Captions. The captions of each Article and Section hereof as to the contents of each Article and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

IN WITNESS WHEREOF, the duly authorized corporate officers of Towns Walk Partners, LLC as Declarant herein, have executed this instrument under his seal the day and date first above written.

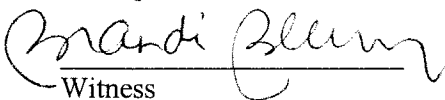
TOWNS WALK PARTNERS, LLC

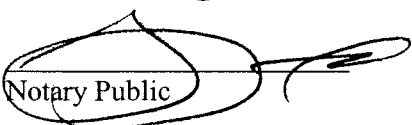
By:


Ronny Kittle, Managing Member

(Seal)

Signed, sealed and delivered
in the presence of:


Witness


Notary Public

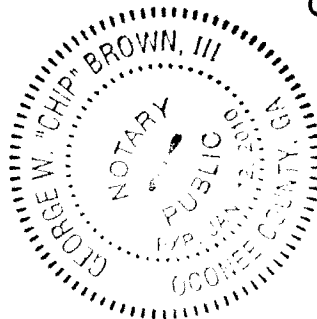




EXHIBIT A

ALL that tract or parcel of land, together with all improvements thereon, situate, lying and being in the 1467th District G.M., Athens-Clarke County, Georgia, and being known and designated as Towns Walk Subdivision, as more particularly shown on a survey entitled "Final Plat for Towns Walk", dated February 23, 2006, prepared by Woods & Chastain Surveyors, Inc., Phillip D. Chastain, Registered Land Surveyor, and recorded in Plat Book G, Pages 45A - 45H, in the Office of the Clerk of the Superior Court of Athens-Clarke County, Georgia, reference to which is hereby made for a more particular description of the property herein conveyed.

**BY-LAWS
OF
TOWNS WALK HOMEOWNERS ASSOCIATION, INC.**

ARTICLE ONE

GENERAL

1.1 Applicability. These By-laws provide for the self-government of TOWNS WALK HOMEOWNERS ASSOCIATION, INC., in accordance with the Georgia Property Owner's Association Act, the Georgia Nonprofit Corporation Code, the Declaration, and the Articles of Incorporation.

1.2 Name. The name of the Association is "TOWNS WALK HOMEOWNERS ASSOCIATION, INC." (hereinafter the "Association").

ARTICLE TWO

OWNERSHIP

2.1 Qualification. The sole qualification for Ownership shall be ownership of a lot in Towns Walk Subdivision in Athens-Clarke County, Georgia (the "Subdivision"). No Ownership may be separated from the lot to which it is appurtenant.

2.2 No Additional Qualifications. No initiation fees, costs or dues shall be assessed against any person as a condition of the exercise of the rights of Ownership except such assessments, levies and charges as are specifically authorized by the Declaration.

2.3 Succession. The Ownership of each Owner shall automatically terminate upon the conveyance, transfer, or other disposition of a Owner's interest in a lot. The Owner's Ownership shall automatically be transferred to the new Owner succeeding to such ownership interest. On the conveyance, transfer, or other disposition of a portion of a owner's interest, the transferring Owner and the transferee shall each be Owners of the Association in accordance with the ownership interest of each following such conveyance or transfer

2.4 Certificates. The Association shall issue no shares of stock of any kind or nature whatsoever.

ARTICLE THREE

OFFICES

3.1 Location. The initial principal office of the Association shall be located at 3149 Atlanta Highway, Building 4A, Athens, Georgia 30606. The mailing address of the Association is 3149 Atlanta Highway, Building 4A, Athens, Georgia 30606.

ARTICLE FOUR
MEETINGS OF THE OWNERS

4.1 Annual Meeting. The annual meeting of Owners shall be held on the 2nd Monday in January of each year, or if said date be a legal holiday, then on the next succeeding day which is not a holiday. At the annual meeting, comprehensive reports of the affairs, finances, and budget projections of the association shall be made to the Owners.

4.2 Special Meeting. Special Meetings of the Owners may be called at any time by the President or by Owners having twenty-five (25%) percent or more of the total vote of the Association.

4.3 Place. Annual or Special Meetings of the Owners may be held at any place within reasonable proximity to the Subdivision as set forth in the notice thereof, or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the registered office of the Association.

4.4 Notice. Notice of the annual meeting of the Owners shall be given to each Owner at least twenty-one (21) days in advance, and at least seven (7) days in advance of any other special meeting, stating the time, place and purpose of such meeting. Such notice shall be delivered personally or sent by United States mail, postage prepaid, statutory overnight delivery, or issued electronically to all Owners of record at such address or addresses as designated by such Owners or, if no other address has been so designated, at the address of their respective lots. If any Owner wants notice elsewhere, he/she must designate such address by written notice to the Secretary of the Association.

4.5 Quorum. A quorum shall be deemed present throughout any meeting of the Owners until adjourned if Owners, in person or by proxy, entitled to cast more than one-third (1/3) of the votes of the Association are present at the beginning of such meeting.

4.6 Vote. On all matters upon which the Owners are entitled to vote, each Owner shall be entitled to cast the number of votes which are allocated to each lot owned by such Owner by the Declaration. Any action of the Association shall be deemed valid upon the majority vote of the Owners present in person or by proxy at any Annual or Special Meeting of the Association at which a quorum is present, unless the Declaration, the Articles of Incorporation, or the Georgia Property Owners Association Act provides for an affirmative vote greater than a majority. The vote of the Owners of a lot owned by a corporation or other legal entity shall be cast by the person named in a certificate signed by the agent of such corporation, or by a general partner of a partnership, as the case may be, and filed with the secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such lot shall not be considered in determining the requirement for a quorum not for any other purpose. In no event shall more than one vote be cast with respect to any Lot.

4.7 Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing filed with the Secretary of the Association. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon the sale by the Owner of his lot.

4.8 Suspension of Rights. During any period in which an Owner shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities by such Owner may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Owner may also be suspended, after notice and hearing, for a period not to exceed ninety (90) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

4.9 Presiding Officer. The presiding officer at all meetings of the Owners shall be the President, in whose absence the Vice President shall preside. If neither of such Officers is present, the Owners shall elect a chairman to preside at the particular meeting.

4.10 Adjournments. Any meeting of the Owners, whether or not a quorum is present, may be adjourned, for a period not exceeding ten (10) days, by the holders of a majority of the votes represented at the meeting to reconvene at a specific time and place. It shall not be necessary to give any notice of the reconvened meeting, provided the time and place of the reconvened meeting are announced at the meeting which was adjourned. At any such reconvened meeting at which a quorum is represented or present, any business may be transacted which could have been transacted at the meeting which was adjourned.

4.11 Action in Lieu of Meeting. Any action to be taken at meeting of the Owners, or any action that may be taken at a meeting of the Owners, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Owners entitled to vote with respect to the subject matter thereof and any further requirements of law pertaining to such consents have been complied with.

ARTICLE FIVE

DIRECTORS

5.1 General Powers. Except as provided otherwise in the Georgia Property Owners Association Act, the Georgia Nonprofit Corporation Code, the Declaration, the Articles of Incorporation, or these Bylaws, the powers inherent in or expressly granted to the Association may be exercised by the Board of Directors, acting through the Officers, without any further consent or action on the part of the Owners. The Board of Directors shall have the authority to adopt from time to time reasonable rules and regulations governing the use of the Common Elements by the Owners. All resolutions adopted and all business transacted by the Board of Directors shall require the affirmative vote of a majority of the Directors present at the meeting.

The Board of Directors shall also be authorized to enter into such agreements for professional management of the Association as the Board shall deem to be in the best interests of the Association; provided, however, that all such agreements must provide for termination on ninety (90) days written notice and a maximum contract term of one (1) year.

In addition to the duties imposed by these By-laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall be responsible for duties to include, but not be limited to, the following:

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

(b) making assessments to defray the Common Expenses, establishing the means and methods of collecting assessments and establishing the period of the installment payments of the Annual Assessment;

(c) providing for the operation, care, upkeep and maintenance of the Common Elements;

(d) designating, hiring and dismissing the personnel necessary for the operation of the Association and the maintenance, repair and replacement of the Common Elements and Association Property;

(e) collecting the assessments and depositing the same in an account held by the Association at a depository institution for such purposes;

(f) making and amending the rules and regulations and imposing sanctions for violations thereof, including, without limitation, monetary fines;

(g) making or contracting for the repair, addition or improvement of the Common Elements after damage thereto;

(h) enforcing by legal means the provisions of the Declaration, these By-laws and the Rules and Regulations;

(i) obtaining and carrying insurance against casualty and liabilities, and paying the premium cost thereof;

(j) paying the costs of all services rendered to the Association;

(k) keeping books with detailed accounts of the receipts and expenditures affecting the Association;

(l) contracting for the performance of duties and functions necessary to the Association; and

(m) borrowing money for the purpose of maintenance, repair or improvement of the Common Elements, pledging the property of the Association therefore, with the approval of the Owners.

5.2 Number. The Board of Directors of the Association shall consist of a minimum of three (3) Owners and a maximum of five (5) Owners. Board Members shall serve staggered terms and be elected at each Annual Meeting of the Owners and serve for a term of two (2) years and until their successors are elected.

5.3 Nomination. Nominations for election for the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the Annual Meeting. The Nominating Committee shall consist of a Chairman, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each Annual Meeting of the Owners. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than three (3). Such nominations shall be made from among the Owners of the Association.

5.4 Election. Election of the Board of Directors shall be by secret written ballot cast at the annual meeting. At such election the Owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

5.5 Vacancies. The Directors may fill the place of any Director which may become vacant prior to the expiration of his term, and such appointment by the Directors is to continue until the expiration of the term of the Director whose place has become vacant.

5.6 Meetings. The Directors shall meet annually without notice, following the Annual Meeting of the Owners. Special Meetings of the Directors may be called at any time by the President or by any Director, on two (2) days' notice to each Director, which notice shall specify the time and place of the meeting. Notice of any such meeting maybe waived by an instrument in writing executed before or after the meeting. Directors may attend and participate in meetings either in person or by means of conference telephones or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by means of such communication equipment shall constitute presence in person at any meeting. Attendance in person at such meeting shall constitute a waiver of notice thereof.

5.7 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

5.8 Action in Lieu of Meeting. Any action to be taken at a meeting of Directors, or any action that may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the Directors and any further requirements of law pertaining to such consents have been complied with.

5.9 Compensation. Officers and Directors shall serve without compensation, but they shall be entitled to reimbursement for reasonable expenses incurred in the performance of their duties upon approval of such expense by the Board of Directors.

5.10 Initial Director. The Initial Director of the Association, who shall act as the sole Director until such time as the Declarant conveys the last lot it owns in the subdivision, shall be Towns Walk Partners, LLC. Such Initial Director shall have full authority to unilaterally carry out all duties of the Directors as set forth hereunder. Upon conveyance of the last lot the Declarant owns in the subdivision, a special meeting shall be held at which the Owners shall elect a new Board of Directors in accordance herewith.

ARTICLE SIX

OFFICERS AND THEIR DUTIES

6.1 Enumeration of Officers. The Officers of this Association shall be a President, Vice President, and Secretary, who shall at all times be Members of the Board of Directors, and a Treasurer, and such other offices as the Board may from time to time by resolution create.

6.2 Election of Officers. The election of Officers shall take place at the first meeting of the Board of Directors which shall take place following each Annual Meeting of the Owners.

6.3 Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or be otherwise disqualified to serve.

6.4 Special Officers. The Board of Directors may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

6.5 Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6.6 Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The Officer elected to such vacancy shall serve for the remainder of the term of the Officer he/she replaces.

6.7 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person, other than Declarant during the time it is serving as Initial Director, shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

6.8 Duties. The duties of the Officers are as follows:

(a) President - The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes.

(b) Vice President - The Vice President shall act in the place and stead of the President in event of the absence, inability or refusal of the president to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

(c) Secretary - The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Owners; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Owners, keep appropriate current records showing the Owners of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer - The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare a statement of income and expenditures to be presented to the Association at its regular annual meeting, and deliver a copy of each to the Owners. The Treasurer may be appointed by the Board of Directors from among the Owners, and need not be a Member of the Board of Directors.

ARTICLE SEVEN

COMMITTEES

7.1 Various Committees. The Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) Architectural Control Committee which shall advise the Board of Directors on all matters pertaining to the architectural restrictions set forth in the Declaration, and shall perform such other functions as the Board, in its discretion, determines.

(b) Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Elements, and shall perform such other functions as the Board, in its discretion, determines.

(c) Grounds Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, planting of shrubs and trees and improvement of the common grounds of the Association, and shall perform such other functions as the Board, in its discretion, determines.

(d) Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the Membership at its regular Annual Meeting. The treasurer shall be an ex officio Member of the Committee.

7.2 Duties. It shall be the duty of each committee to receive complaints from Owners on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, Director or Officer of the Association as is further concerned with the matter presented.

ARTICLE EIGHT

INSPECTION OF BOOKS; NOTICE TO MORTGAGEES

8.1 Owners. The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Owner or the mortgagee of any Owner.

8.2 Mortgagees. All mortgagees who request the same shall be entitled to receive a written notification from the Association of any default in the performance by the individual Owner/mortgagor of any obligation under the Declaration which is not cured within sixty (60) days.

ARTICLE NINE

SEAL

9.1 Seal. The seal of the Association shall be in such form as the Board of Directors may from time to time determine. In the event it is inconvenient to use such seal at any time, the signature of the Association followed by the word "Seal" enclosed in parentheses or scroll shall be deemed the seal of the Association. The seal shall be in the custody of the Secretary and affixed by him/her on all appropriate papers.

ARTICLE TEN

RESOLUTION OF CONFLICTS

10.1 Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE ELEVEN

FISCAL YEAR

11.1 Fiscal Year. The Board of Directors shall be authorized to fix the fiscal year of the Association and to change the same from time to time as it shall deem appropriate.

ARTICLE TWELVE

RULE MAKING AND ENFORCEMENT

12.1 General. The Board of Directors shall have the authority and power, without Ownership vote, to adopt, make and amend reasonable Rules and Regulations in regard to the use of the Common Elements. Copies of all such Rules and Regulations, and all amendments thereto, shall be furnished to Owners upon written request delivered to the Secretary. Each Owner and the Association shall be governed by and shall comply with the Rules and Regulations. Any failure to comply therewith shall entitle the Association, and, where appropriate, the Owners, to take action to enforce the terms of the Declaration, these By-laws and the Rules and Regulations.

12.2 Enforcement. The Board of Directors shall not impose a fine, suspend the right to vote or suspend the right to use the Common Elements (provided however, if a Owner is shown to be more than thirty (30) days delinquent in any payment due the Association, suspension of the right to vote and the right to use the Common Elements shall be automatic) unless and until the Association has sent or delivered written notice to the violating Owner.

12.3 Notice. If any provision of the Declaration, Articles of Incorporation, By-laws or Rules and Regulations as well as any other rules adopted by the Association, the Board of Directors shall send the violating Owner written notice identifying the violation and the fine(s) being imposed and advising the violating Owner of the right to request a hearing before the Board of Directors to contest the violation and/or fine(s) therefore. Fine(s) may commence upon the fifteenth (15) day following the delivery of such notice or such later date as specified in such notice, notwithstanding the violating Owner's right to request a hearing before the Board of Directors. Should the violating Owner choose to challenge the violation and/or fine(s) before the Board of Directors, he/she must deliver notice thereof to the Secretary within fifteen (15) days of delivery of the notice of violation provided herein. Failure to so deliver a challenge within the time frame set forth herein shall disallow such violating Owner's right to challenge such violation and/or fine(s). In the event of a continuing violation, each day the violation continues shall constitute a separate offense and fines may be imposed on a daily basis without further notice to the violating Owner.

12.4 Hearing. If a written request for a hearing is delivered to the Secretary as specified in section 12.3 hereof, the Board of Directors shall schedule and hold a meeting for the purpose of hearing such challenge, such meeting to be held no later than thirty (30) days after delivery of such request, notice thereof to be delivered to such violating Owner no later than fifteen (15) days prior to the date of such hearing. The Board of Directors may establish rules of conduct for such hearing, which may include limits on time and the number of participants who may be present at one time.

12.5 Additional Enforcement. Notwithstanding anything to the contrary herein contained, the Board of Directors may elect to enforce any provision of the Declaration, the Articles of Incorporation, these By-laws or the Rules and Regulations by self-help or by suit at law to enjoin any violation or recover monetary damages or both without the necessity for compliance with the procedures set forth herein. In any such action, to the maximum extent permissible, the Owner responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorney's fees. The Board of Directors, or its duly authorized agent, may enter any Lot to abate or remove, using such force as is reasonably necessary, and thing or condition which violates the Declaration, Articles of Incorporation, By-laws or Rules and Regulations, provided written notice of such intention shall be provided the violating Owner at least two (2) days prior to such time of entry.

ARTICLE THIRTEEN

DEFINITIONS

13.1 Definitions. All of the terms defined in Section 3 of the Georgia Property Owners Association Act shall be deemed to have the meanings therein specified wherever they appear in these Bylaws, unless the context otherwise requires.

ARTICLE FOURTEEN

AMENDMENT

14.1 Amendment. Except where a higher vote is required under a particular provision of the Nonprofit Code, the Act, Declaration or these By-laws, these By-laws may be amended by the vote of holding two-thirds (2/3) of the Owners. Owners whose voting rights have been suspended shall not be counted as eligible votes toward this amendment requirement.

END OF BY-LAWS