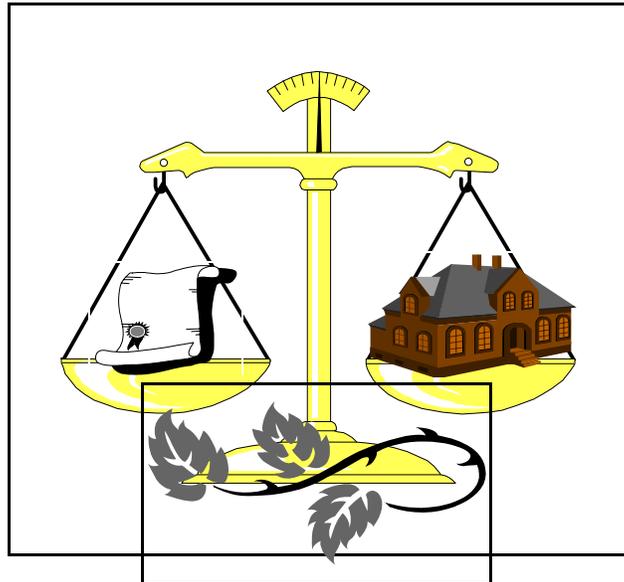


DECLARATION OF CONDITIONS, RESERVATIONS, RESTRICTIONS

AND

PROTECTIVE COVENANTS FOR THE VINEYARDS DEVELOPMENT

FORSYTH COUNTY, GEORGIA



Effective Date: October 1, 1999

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i) WITNESSETH :

WHEREAS, all that tract or parcel of land lying and being in Land Lots 283, 284, 293, and 294 of the 2nd district, and 1st Section of Forsyth County, Georgia, as more particularly shown on a plat entitled "A Land Survey for Emory Lipscomb" by Cecil S. Mize Registered Land Surveyor, dated April 19, 1972 recorded in Plat Book 8, page 128, in the Office of the Clerk of the Superior Court of Forsyth County, Georgia; and

WHEREAS, Express Associates, a Georgia limited partnership, acquired the aforementioned tract or parcel of land and recorded a Declaration of Covenants, Restrictions and Easements for the Vineyards Subdivision, on October 24, 1988, in Deed Book No. 426, Pages 661 - 685, et seq., Forsyth County, Georgia Records (hereinafter referred to as the "**Original Declaration**"); and

WHEREAS, the Original Declaration has been previously amended by amendments recorded in the Forsyth County, Georgia records as follows:

<u>Recording Date</u>	<u>Deed Book / Page</u>
February 19, 1992	No. 573 / 104 et seq.
June 29, 1993	No. 668 / 378 et seq. ; and

WHEREAS, plats of survey relating to the Property (Vineyards Development) were prepared and filed in the Forsyth County, Georgia records as follows:

<u>Title</u>	<u>Recording Date</u>	<u>Plat Book / Pg.</u>	<u>Surveyor</u>
Vineyards Subdivision Phase I	Oct. 21, 1988	No. 29 / 34	G. Wagstaff
Vineyards Subdivision Phase II	May 25, 1990	No. 31 / 253 & 254	J. McNeely
Vineyards Subdivision Phase II	March 11, 1991	No. 32 / 302 & 303	J. McNeely
Vineyards Subdivision Phase III	Nov. 20, 1992*	No. 36 / 68 - 70	G. Nelson
	(* Revised Jan. 5, 1993)		
Vineyards Subdivision Phase III	March 14, 1995**	No. 42 / 191 - 193	G. Nelson ; and
	(** Revision of 1/5/93 Plat)		

WHEREAS, these plats of survey are incorporated herein by reference as fully as if the same were set forth in their entirety herein ; and

WHEREAS, Article IX of the Original Declaration provides for amendment of the Original Declaration by the approval of Owners holding at least two-thirds (2/3) of the total votes; and

WHEREAS, at least two-thirds (2/3) of the Owners desire to amend the Original Declaration and have approved this amendment; and

WHEREAS, in accordance with Article VII, Section 6 of the Bylaws of the Vineyards Homeowners Association, Inc. ("Original Bylaws"), the Original Bylaws may be amended by the affirmative vote of members at any meeting of the members duly called for such purpose, or by written ballot, such amendment having been proposed by the Association's Board of Directors; and

WHEREAS, at least two-thirds (2/3) of members of record have approved this amendment to the Original Bylaws at either a meeting of the Association duly called for such purpose or by written ballot; and

WHEREAS, these Amendments submit the Property to the provisions of the Georgia Property Owners' Association Act, O.C.G.A. S 44 - 3 - 220, et seq. ; and

WHEREAS, these Amendments do not alter, modify, change or rescind any right, title, interest, or privilege held by any first Mortgage Holder; provided, however, in the event a court of competent jurisdiction determines that these Amendments do alter, modify, change, or rescind any right, title, interest, or privilege held by any first Mortgage Holder without such first Mortgage Holder's consent in writing to these Amendments, then these Amendments shall not be binding on the first Mortgage Holder so involved, unless such First Mortgage Holder consents to these Amendments; and if such consent is not forthcoming, then the provisions of the Original Declaration and Original Bylaws effective prior to these Amendments shall control with respect to the affected first Mortgage Holder;

NOW, THEREFORE, the Original Bylaws and the Original Declaration and all exhibits thereto are hereby stricken in their entirety and the following is simultaneously substituted therefor:

ii) GRANDFATHER CLAUSE :

All approved physical structures (including dwellings and garages), yards (including landscaping and easements), mail boxes, driveways, lampposts, walls, fences, etc. existing within the Vineyards Development at 12:01 AM October 1, 1999, remain approved as is, where is and are not affected by this revised Declaration unless and until the structure is replaced or some change is planned that affects the structure's general appearance, location or basic intended function. Such replacements or changes implemented after 12:01 AM October 1, 1999 fall under the control and regulation of this revised Declaration and require appropriate approval (as defined herein) prior to implementation of the planned replacement, modification or relocation.

Furthermore, any and all Board regulatory decisions and actions such as approvals, disapprovals, fines, liens etc., which were duly implemented and in effect at 12:01 AM October 1, 1999, remain in effect and are fully supported by and adjoined to this revised Declaration. It is further emphasized that physical structures that existed before 12:01 AM October 1, 1999, although "Grandfather" approved by this Declaration, do not set precedence nor act as examples of approval or exemption from the regulations set forth in this Declaration for similar structures or modifications to structures that may occur after 12:01 AM October 1, 1999.

iii) NOTIFICATION :

This amended and restated Declaration of Conditions, Reservations, Restrictions and Protective Covenants is made October 1, 1999 by The Vineyards Homeowners Association, Inc., a nonprofit corporation under the Georgia Nonprofit Corporation Code (hereinafter referred to as the "**Association**").

iv) INTRODUCTION / BACKGROUND :

This Declaration of Conditions, Reservations, Restrictions and Protective Covenants, hereinafter referred to as the "**Declaration**", is an amended and restated revision of the original 1988 Declaration of Covenants, Restrictions and Easements (including all approved amendments) for the Vineyards Development of Forsyth County, Georgia. This revised Declaration was agreed to by The Vineyards Homeowners Association, Inc. (hereinafter referred to as the "**Association**")

and accepted on September 1, 1999 by a minimum two-thirds (2/3) Member approval vote. The Association is a nonprofit corporation organized under the Georgia Nonprofit Corporation Code

and is governed by the following written instruments: **1)** The Articles of Incorporation, **2)** this Declaration, **3)** The Association Bylaws, **4)** The Architectural Control Committee Design Standards and **5)** The Rules and Regulations for use of common property and recreational facilities.

The Association was originally formed as a nonprofit civic organization and continues to operate as such under the regulations of this revised Declaration. The Association is chartered to perform certain functions for the common good and general welfare of the residents and Homeowners of the Vineyards Development. Refer to Section 2.0 of this Declaration and the Association Bylaws for further details regarding the Vineyards Association.

Section 1.0 Effective Date and Duration:

1.01. This revised Declaration became effective at 12:01 AM on October 1, 1999. The preexisting Declaration including all amendments and attachments remained in effect until this revised Declaration was implemented. As of 12:01 AM, October 1, 1999, the preexisting Vineyards Development Declaration, including all amendments and attachments, became null and void and was entirely replaced and superseded by this revised Declaration.

1.02. The Protective Covenants and Restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Association, their respective legal representatives, heirs, successors, and assigns, perpetually in accordance with the Property Owners Association Act. The provisions of this Declaration shall run with and bind the land so long as permitted by such law, but these provisions may be revised and amended to the extent specified in Section 19.0 of this Declaration.

1.03. Every purchaser or grantee of any interest (including, without limitation, a security interest) in any real property subject to this Declaration, by acceptance of a deed or other conveyance, thereby agrees that the provisions of this Declaration will run perpetually with the exception that such provisions may be renewed and revised as provided for in Section 19.0 herein.

Section 2.0 Vineyards Homeowners Association , Inc.

2.01. For the purpose of maintaining all common areas and common community services of every kind and nature required or desired within the Vineyards Development for the general use and benefit of all lot owners, including, but not limited to the recreation facilities (tennis court and

swimming pool), street lights, etc. within the Vineyards Development, each and every lot owner, in accepting a deed or contract for any lot in the Vineyards Development, agrees to be a member of the Association and shall be subject to the lawful obligations of this Declaration, the Bylaws, the ACC Design Standards and Rules and Regulations of the Vineyards Homeowners Association, Inc.

Section 3.0 Board of Directors:

3.01. The Board of Directors of this Association (hereinafter referred to as the "**Board**") has both the responsibility and authority (as hereinafter defined) to monitor and review within the Vineyards Development the actions of residents, property owners, developers, builders, contractors as well as agents and/or assignees of the aforementioned.

3.02. The Board is also responsible for implementing appropriate corrective measures and legal recourse as needed (according to the authority defined herein) to ensure compliance to this Declaration (as hereinafter defined), the Association Bylaws, the Development-Wide ACC Design Standards and other related Rules and Regulations.

3.03. Refer to Sections 4.0, 5.0, 22.0, and 23.0 of this Declaration and the Association Bylaws for additional details regarding the Board's authority.

Section 4.0 Compliance with Covenants and Bylaws:

4.01. The Association through the Board of Directors shall have the right to enforce the provisions of this Declaration, the Bylaws of the Association, the Architectural Design Standards and any Rules and Regulations adopted pursuant thereto by imposition of fines or liens or by suit at law or in equity as defined in the Association Bylaws. The failure of the Association or Board to enforce any provision of this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

4.02. Upon written notification by the Board, to any owner of a lot within the Vineyards Development that the building or lot occupied or owned by such parties does not conform with the requirements of this Declaration or the Architectural Design Standards, such person or entity shall, within seventy-two (72) hours for health or safety problems, as well as for grounds maintenance and within fifteen (15) working days for improvement repair and maintenance, cause such lot or

improvements to conform to the requirements herein. In the event of non-conformance herewith, the Board, after written notice to the Homeowner, may cause such improvements or lot to conform herewith at the expense of the owner of said lot, and all costs thereof shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot of such Owner. There shall be added to the amount of such lien the cost of preparing and filing any complaint to foreclose upon or to enforce any such lien, or in the event a judgment is obtained in conjunction therewith, such judgment shall include interest on the lien amount at the highest legal rate per annum, together with reasonable attorney's fees actually incurred, together with all costs of the action.

Section 5.0 Architectural Control Committee:

5.01. An Architectural Control Committee (ACC) shall be established consisting of not less than three (3) nor more than five (5) Vineyard's Homeowners. The members of the ACC shall be appointed by the Board of Directors and serve for one calendar year. All costs of operating the ACC shall be borne by the Association. If any vacancy shall occur in the membership of the ACC, the Board of Directors will appoint a replacement. Any ACC member may resign at any time by giving written notice of such resignation to the Chairman of the ACC and such resignation shall take effect on receipt thereof by the Chairman. Any member of the ACC may be removed at any time with or without cause by the Board of Directors.

5.02. The ACC has the responsibility and authority to enforce the latest issue of the Vineyards Design Standards. The ACC responsibilities and authority include establishing guidelines with respect to approval and / or disapproval of house and other structures design features, architectural styles, exterior colors and materials, details of construction, location and size of structures and all other matters that require approval by the ACC pursuant to this Declaration.

5.03. The VINEYARDS DESIGN STANDARDS document is promulgated pursuant to authority granted to the Architectural Control Committee (ACC) by the Board under this section of the Declaration. The requirements of the latest issue of the Vineyards Design Standards shall be in addition to and not in lieu of the requirements and provisions of this Declaration.

5.04. The ACC may from time to time may have need to revise the Design Standards.

However, any proposed revisions to the Design Standards or any changes in interpretation of the existing Design Standards must have Board Approval prior to implementation. The Board of Directors may approve such revisions to the Design Standards, without membership vote.

5.05. All planned construction, including, but not limited to, houses, detached garages, and other outbuildings as well as fences, walls and any additions or alterations, which materially change the exterior appearance of the structure or lot, must be in compliance with the latest issue of the Vineyards Design Standards and be reviewed and approved in writing by the ACC before any construction begins. Plans and specifications for new and/or modified structures must be submitted to the ACC for review at least thirty (30) days prior to planned initiation of construction.

5.06. No exterior construction, alteration, addition, or erection of any nature whatsoever shall be commenced or placed upon any part of the Property, except as approved by the ACC in accordance with the latest issue of the Vineyards Design Standards. No exterior construction, addition, erection, or alteration shall be made unless and until plans and specifications showing at least the nature, kind, shape, height, materials, and location shall have been submitted in writing to and approved in writing by the ACC. The ACC has the right and authority to approve or disapprove any such plans or specifications based on the latest revision of the Design Standards or for other aesthetic considerations.

5.07. The owner of a lot within the Vineyards Development shall maintain all dwellings, permitted outbuildings, fences, walls, mail boxes and other permitted structures and improvements in good, attractive and sufficient repair.

5.08. The ACC, with the approval of the Board, may employ architects, engineers, or other persons as it deems necessary to enable it to perform its review responsibility. The ACC may, from time to time, delegate any of its rights or responsibilities hereunder to one or more duly licensed architects or other qualified persons, which shall have full authority to act on behalf of the ACC for all matters delegated. Written design guidelines and procedures may be promulgated for the exercise of this review, and these guidelines may provide for a review fee. The enforcement and review responsibilities to be carried out by the ACC shall be in accordance with the latest issue of the Vineyards Design Standards.

5.09. The ACC may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions and as presented in the latest issue of the Design Standards. The ACC shall have the right, during reasonable hours and after reasonable notice, to enter upon any Lot to inspect for the purpose of ascertaining whether or not the ACC Design Standards and these Restrictive Covenants have been or are being complied with. Such person or persons shall not be deemed guilty of trespass by reason of such entry.

5.10. If the ACC fails to approve or to disapprove in writing submitted plans and specifications within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required, and this Section will be deemed to have been fully complied with.

5.11. Plans and specifications are not approved for engineering or structural design or quality of materials, and by approving such plans and specifications neither the ACC, the Board, any committee designated by the Board, the members thereof, nor the Association assumes liability or responsibility therefor, nor for any defect in any structure constructed from such plans and specifications. Neither the ACC, the Association, the Board, any committee designated by the Board, nor the Officers, Directors, members, employees, and agents of any of them shall be liable in damages to anyone submitting plans and specifications to any of them for approval, or to any owner of property affected by these restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval, or disapproval or failure to approve or disapprove any such plans or specifications. Every owner agrees that such person or owner

will not bring any action or suit against the ACC, the Association, the Board or its designee or the Officers, Directors, members, employees, and agents of any of them to recover any damages and hereby releases, remises, quitclaims, and covenants not to sue for any and all claims, demands, and causes of action arising out of or in connection with any judgment, negligence, or nonfeasance and hereby waives the provisions of any law, which provides that a general release does not extend to claims, demands, and causes of action not known at the time the release is given. Refer to the Association Bylaws, for additional information regarding non-liability and indemnification of association directors, officers, and committee members.

Section 6.0 Residential Use:

6.01. All lots and/or tracts except for common recreational areas shall be known, described and used for residential purposes.

6.02. “Home office” type businesses are permitted providing there is no more traffic, noise, or pollution involved than would result from normal residential use of the property. It is intended that a “home office” business would be operated in such a manner as to be as inconspicuous as possible and not become a disruption or an annoyance to any immediate neighbors or the neighborhood.

6.03. Not more than one single-family dwelling shall be built on any lot.

6.04. No offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be an annoyance or constitute a danger or nuisance to the safety or comfort of any immediate neighbors, the neighborhood or the community.

Section 7.0 Lot Subdivision:

7.01. No lot within the Vineyards Development shall be further subdivided.

Section 8.0 Utilities and Utility Easements:

8.01. Each lot within the Vineyards Development is subject to all existing utility easements, including, but not limited to, electrical power, natural gas, water, sewage, telephone and cable television easements.

8.02. All utility lines, including feeder lines to residential structures, outbuildings and any other electrical lines for power distribution, cable TV or for lampposts or other permanent decorative lighting shall be installed underground according to appropriate local code.

Section 9.0 Animals and Pets:

9.01. All pets on any lot shall be maintained in such a manner as not to be a danger or an annoyance to any immediate neighbors or the neighborhood.

9.02. All dogs not being within a fenced-in yard shall be kept on a leash as required by the Forsyth County Leash Law.

9.03. No livestock, farm animals or poultry of any kind may be raised, bred, kept, or permitted on any Lot.

9.04. Dogs, cats, or other usual and common household pets may be kept in reasonable number, as determined by the Board.

9.05. No pets shall be kept, bred or maintained for any commercial purpose.

Section 10.0 Automobiles, Trucks, Boats and Trailers:

10.01. To enhance and maintain the aesthetic appearance of the Vineyards Development, it is desirable not to have automobiles, trucks, boats, trailers or similar vehicles or industrial equipment parked on the street. However, automobiles may be temporarily parked on the street during occasional social gatherings.

10.02 (revised 8/06). Recreational vehicles including but not limited to mobile homes, camp trailers, campers, buses, boats or other type of water craft, all terrain vehicles, dirt bikes, industrial equipment (including such vehicles as cement mixers, tractors, wreckers, dumpsters and commercial vehicles), trucks with more than four wheels, and trailers, shall not be parked, stored or kept for any purpose on any lot within the subdivision for more than 14 days in a calendar year, (any portion of a day counts as a full day), without approval from the Board, unless it is enclosed in a garage or other outbuilding so that it is not visible from the street or any public road. Any such special enclosure must be approved by the ACC in the manner set forth in Section 5.0 herein. Section 10.02 violators will incur fines beginning day 15 and each violated day thereafter in that calendar year. No vehicle nor any above mentioned recreational vehicles or equipment or trailer may be parked , stored or kept in the yard or street.

10.03. Pickup trucks, without body modifications such as ladder racks, tool and storage bodies and the like are permitted.

10.04. Disabled vehicles or equipment may not remain visible on the property for longer than two weeks.

Section 11.0 Outdoor Storage:

11.01. Except during the construction of a residence on a lot or unless specifically

by the Board in writing, no materials, supplies or equipment shall be stored on or within any lot or common area within the Vineyards Development except in an enclosed building or behind a visual barrier, which has been approved by the Board or its designated authority (the ACC). All such means of screening shall be consistent with the architecture of the residential structure on the particular lot and shall utilize the same materials as were utilized in the residential structure. In addition, all such screening shall be located in the most inconspicuous manner possible.

Section 12.0 Landscaping and Property Appearance:

12.01. Each lot in the Vineyards Development shall be landscaped in accordance with general specifications approved by the ACC. Landscape specifications shall be submitted to the ACC in writing and shall be deemed approved only after signed off on by this Committee. All such landscaping must be completed prior to Closing and occupancy of the dwelling on the subject lot.

12.02. The owner of each lot within the Vineyards Development shall properly maintain that lot's landscaping and appearance. This maintenance requirement shall include, but not be limited to, grass cutting and leaf raking as well as plant, bush, tree, and shrub trimming.

12.03. Grading, clearing and grubbing shall be undertaken on each lot within the Vineyards Development in such a manner to preserve the natural topography and vegetation of each lot as much as reasonably possible. As part of the plan approval process set forth herein, the ACC may require implementation on any lot of such grading and clearing plans as it deems necessary for the good of the Development.

12.04. No healthy tree with a trunk diameter of six inches or greater shall be removed from any lot within the Vineyards Development without the prior authorization of the ACC.

12.05. All lawn and other maintenance equipment, refuse containers, woodpiles, etc. shall be kept screened by adequate planting or fencing so as to conceal them from view by neighboring residences and from the streets.

12.06. Outdoor clotheslines and related equipment are not permitted within the Vineyards Development.

Section 13.0 Radio, Television Antennas & Satellite Dishes:

13.01. To enhance and maintain the aesthetic appearance of the Vineyards Development, satellite dishes and antennas for the reception or transmission of radio or television signals should be installed in such manner as to be as inconspicuous as possible. If the dish needs to be placed for front yard orientation, it should be positioned on the side of the house and screened by bushes or behind a visual barrier, which has been approved by the Board or its designated authority (the ACC). Permissible satellite dishes and antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and with the written approval of the ACC in accordance with the current Vineyards Design Standards.

Section 14.0 Signs:

14.01. Only "For Sale", "For Rent", and security signs are allowed on a Lot within the Vineyards Development and such signs must be no larger than two feet by two feet. Only one sign per type per Lot is allowed. The Board must approve any other sign in writing.

Section 15.0 Operation of Motorized Vehicles:

15.01. No motorized personal transportation vehicles, including, but not limited to, automobiles, trucks, all-terrain vehicles and motorcycles, shall be operated on any Lot or common area within the Vineyards Development except on driveways, streets and areas designated for such use provided such motorized vehicles are operated:

(A) in such a manner as not to constitute a safety hazard or nuisance, and

(B) by persons properly licensed by the State of Georgia to operate such motor vehicles.

Section 16.0 Guns:

16.01. Except for reasons of personal protection or other emergency situations, the use or discharge of guns within the Vineyards Development is strictly prohibited. The term "guns" includes, without limitation, "B-B" guns, pellet guns, small firearms, as well as rifles, and shotguns of all types.

Section 17.0 Occupancy:

17.01. No residential dwelling erected on any Lot shall be occupied in any manner until it is fully completed, both on the interior and exterior.

17.02. A residential dwelling shall not be deemed complete until the appropriate Forsyth County authority has issued an occupancy permit for the dwelling.

17.03. Unless otherwise permitted in writing by the Board, construction of dwellings shall commence within one (1) year of the purchase of the Lot. Also, unless otherwise permitted in writing by the Board, all construction of dwellings shall be completed within nine (9) months of commencement.

Section 18.0 Independent Nature of Provisions:

18.01. Each and every one of the Conditions, Reservations, Restrictions and Protective Covenants contained herein shall be considered to be an independent and separate covenant and agreement; and in the event any one or more of such Conditions, Reservations, Restrictions or Protective Covenants shall for any reason be held to be invalid or unenforceable or for any reason what so ever not enforced, all remaining Conditions, Reservations, Restrictions and Protective Covenants shall nevertheless remain in full force and virtue.

Section 19.0 Revisions and Amendments:

19.01. This Declaration and / or the Association Bylaws may be amended at any time by an affirmative vote of the Lot Owners representing at least two-thirds (2/3) of the total eligible Association Membership.

19.02. This Declaration may be revised or amended unilaterally at any time by a majority vote of the Board of Directors, only when such revision or 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. The Board has the authority without Membership vote to effect such revisions or amendments as necessary to maintain this Declaration in full legal compliance.

19.03. No revision or amendment of 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 encumbering any lot affected thereby unless such holder shall consent in writing thereto. Any such amendment shall not become effective until the instrument evidencing such change has been filed of record. Every purchaser or grantee of any interest in any real property made subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that this Declaration may be amended as provided in this Section.

19.04. Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the effective date of the amendment. No action to challenge any such amendment may be brought after such time.

Section 20.0 Successors and Assigns:

20.01. This Declaration, including all restrictions, agreements, charges and lien rights contained herein shall be binding upon and shall inure to the benefit of the successors, or successors in title and assignees of the Board and all owners, tenants, lessees, invitees, or their agents and employees, of any portions of the Property.

Section 21.0 Headings:

21.01. Section headings are inserted for convenience only and are not intended in any way to define, limit, or enlarge the scope or intent of any particular article or section to which they refer.

Section 22.0 Easement to Use Recreational Facilities:

22.01. Owners of Lots in the Vineyards Development shall have a right and easement to use and enjoy all Recreational Facilities constructed within the Vineyards Development. However, an Owner's right to use the Recreational Facilities **may be suspended** by the Board for any period during which any assessment against his or her Lot, which is provided for herein, remains unpaid. Also, this right to use the Recreational Facilities **may be suspended** by the Board for a reasonable period of time (not to exceed 60 days) for an infraction of this Declaration, the Bylaws, or the Association's Rules and Regulations for use of said facilities.

22.02. Any Lot Owner may delegate his or her right of use and enjoyment to the Recreational Areas and facilities located thereon to the members of his or her family, his or her tenants who reside on the lot, and guests, and shall be deemed to have made a delegation of all such rights to the occupants of his or her Lot, if leased.

22.03. The Lot Owner is liable and will be held financially responsible for any loss or damages that said owner or owner's family or tenants or guests cause to the Recreational Areas or facilities or furnishings located thereon.

Section 23.0 Assessments:

23.01. Purpose of Assessments. The Association through the Board of Directors shall have the authority to levy assessments from time to time as provided for herein. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, welfare, common benefit, and enjoyment of the Owners and occupants of Lots within the Vineyards Development.

23.02. Personal Obligations for Assessments. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association:

(A) annual assessments as directed by the Board.

(B) as an initiation fee, the first year assessment payment due for a new or resale owner shall be the current, total, normal annual assessment due for that year plus an additional prorated payment based on the month that the owner assumed ownership of the Lot during the current year. The first year assessment (initiation fee + prorated payment) shall be collected from the new owner by the Association and is payable at the time of Closing. The second year assessment payment, and all subsequent annual assessment payments shall be the normal annual assessments as otherwise due.

(C) special assessments; such assessments to be established and collected as hereinafter

provided, and

(D) specific assessments against any particular Lot, which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed by the Board in accordance with the terms of this Declaration.

23.03. Annual assessments shall be based on the estimated current fiscal year Common Expense for the Association and shall be levied equally on all Lots within the Vineyards Development. The Board has the authority without membership vote to effect an increase in the annual assessment of not greater than ten percent (10%) above the previous year annual assessment. If the estimated current fiscal year Common Expense requires an increase in the annual assessment that is greater than a ten percent increase over the previous year annual assessment, such an increase would have to be approved at a special meeting of the Association Membership. The intent of such a special Membership meeting must be announced by letter (notice) as directed in Article II, Section 4 of the Bylaws. The meeting must follow the quorum rules found in Article II, Section 9 of the Bylaws and allow for proxies within the rules of Article II, Section 8 of the Bylaws.

23.04. The Board shall levy the annual assessment by January 15th of each fiscal year. The Association's fiscal year is defined as the calendar year.

23.05. The Board shall cause the notice of annual assessment and the budget covering the estimated Common Expenses of operating the Property during the current year to be delivered to each Owner at least thirty (30) days prior to such annual assessment becoming due.

23.06. Unless otherwise provided for by the Board, the annual assessment shall be paid in a single installment by February 15th of each fiscal year.

23.07. Any Owner of more than one Lot or two or more adjacent Lots containing only one residence shall be obligated to pay full, normal annual and special assessments on each Lot owned.

23.08. For as long as any such Owner of multiple or adjacent Lots pays the appropriate

multiple assessments, as provided for herein, such Owner shall be entitled to one membership vote for each Lot owned.

23.09. The assessments provided for herein shall commence on any Lot within the Vineyards Development subject to this Declaration on the first day of the month following the conveyance of such Lot.

23.10. The annual assessment for any unoccupied Lot owned by a developer or a builder prior to the construction and occupancy of a residence thereon, shall be the same as the normal annual assessment otherwise due.

23.11. No Owner may exempt himself or herself from liability for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, non-use of the Common Area or Recreational Facilities, the Association's failure to provide services or perform its obligations required hereunder, or inconvenience or discomfort arising from the Association's performance of its duties.

23.12. If any annual assessment or other charge is not paid in full within forty-five (45) days of the due date, it will be considered delinquent and a late charge equal to the greater of ten (\$10.00) dollars or ten (10%) percent of the amount not paid may be imposed without further notice or warning to the delinquent Owner and interest of ten (10%) percent per annum, or as permitted under Georgia law, shall accrue from the due date. All such annual assessments, together with any specific assessments such as late charges, interest, costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the original assessment fell due. Each Owner and his or her grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance.

23.13. If assessments and other charges or any part thereof remain unpaid for more than thirty (30) days after the assessment payment first become delinquent, or a total of 75 days after the original due date, the Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of this Declaration, the Bylaws, and Georgia law

and suspend the Owner's right to vote as an Association Member as well as suspend the delinquent Owner's use of Common Areas and Recreational Facilities as provided for herein.

23.14. The lien provided for herein shall be superior to all other liens and encumbrances on such Lot, except for liens of ad valorem taxes; and liens for all sums unpaid on a first mortgage on the Lot. The sale or transfer of any Lot pursuant to foreclosure of any such mortgage, or any proceeding in lieu thereof, shall extinguish the lien for assessments as to payments coming due prior to such sale or transfer. No such sale or transfer shall relieve the Lot from liability for any assessments thereafter coming due or from the lien thereof.

23.15. Special Assessments:

(A) For emergency reasons, such as for unforeseen maintenance or major repairs, the Association may from time-to-time have need to levy special assessments against all Lots within the Vineyards Development. Notice of such special assessments shall be sent by the Board to all Owners of Lots; provided, however, prior to becoming effective,

any special assessment, which would cause the total of special assessments levied against any Lot in one calendar year to exceed one hundred (\$100.00) dollars, shall first be approved by the affirmative vote of Owners of Lots representing at least two-thirds (2/3) of the total Association Membership.

(B) Any special assessment for any other capital improvements within the Vineyards Development as levied by the Board, regardless of the amount, shall first be approved by the affirmative vote of Owners of Lots representing at least two-thirds (2/3) of the total Association Membership.

23.16. Common Profits

Common profits from whatever source shall be applied to the payment of common expenses and any surplus funds remaining after the application of such common profits to the payment of the common expenses shall, at the Board's option, either be distributed equally to the Lot Owners or credited to the next assessment chargeable to the Lot Owners or, added to the Association's reserve account.

Section 24.0 Definitions:

24.01. Act means the Georgia Property Owners Association Act O.C.G.A. 44 - 3220, et seq. As may be amended.

24.02. Association means the Vineyards Homeowners Association, Inc., a Georgia non-profit corporation, its successors and assigns.

24.03. Board or Board of Directors. "Board" or "Board of Directors" means the appointed or elected executive body, which governs the activities of the Association.

24.04. By-laws. "By-laws" means the By-laws of the Vineyards Homeowners Association, Inc..

24.05. Common Expenses. "Common Expenses" means the lawful expenses anticipated or actually incurred by the Association in operating the Association and in maintaining, repairing, replacing, improving and operating Common Areas and otherwise for the benefit of all Lots and Owners within the Vineyards Development.

24.06. Common Area. "Common Area" or "common area" means all real and personal property and easements and other interests therein, together with the facilities and improvements now or hereafter located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.

24.07. Development-Wide Standard. "Development-Wide Standard" means the standard of conduct, maintenance or other activity generally prevailing in the Vineyards Development. Such standards may be more specifically determined by the Board of Directors of the Association or their designee.

24.08. Lot. "Lot" or "lot" means any parcel of land within the Vineyards Development, whether or not improvements are constructed thereon, intended for ownership and use as a single-family dwelling site as permitted in this Declaration and as shown upon a Development plat

recorded in the Office of the Clerk of the Superior Court of Forsyth County.

24.09. Member. "Member" means any member of the Homeowners Association.

24.10. Membership. "Membership" means the total of all the members of the Homeowners Association.

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

24.12. Person. "Person" means any individual, corporation, firm, association, partnership, trust, or other legal entity.

24.13. Property. "Property" means the Vineyards Development and all that real estate, which comprises the Development as described in Section I as a tract or parcel of land lying and being in Land Lots 283, 284, 293, and 294 of the 2nd district, and 1st Section of Forsyth County, Georgia, as more particularly shown on a plat entitled "A Land Survey for Emory Lipscomb" by Cecil S. Mize, Registered Land Surveyor, dated April 19, 1972 recorded in Plat Book 8, page 128, in the Office of the Clerk of the Superior Court of Forsyth County, Georgia, Witnesseth, and which is submitted to the provisions of this Declaration. The Property is a residential property owner's development, which hereby submits to the Georgia Property Owners Association Act, O.C.G.A. 44-3-220 et seq. as may be amended.

24.14. Recreational Facilities. "Recreational Facilities" mean the pool, tennis court, and pool house areas constructed in the Vineyards Development and submitted to the terms of this Declaration.

24.15. Restrictions. "Restrictions" mean all covenants, restrictions, easements, charges, liens and other obligations created or imposed by this Declaration.

24.16. Structure. "Structure" means anything or object the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part thereof, garage, porch, shed greenhouse, bathhouse, covered or uncovered patio,

swimming pool, fence, wall, living quarters or any other temporary or permanent improvement to the Lot.

Section 25.0 Notices, No Liability and Signatures:

25.01. Notices: All notices, amendments, ballots, requests, objections, waivers, rejections, agreements, approvals, disclosures, or consent of any kind made pursuant to this Declaration, whether made by the Board, the Association, the ACC, an Owner, or any other person, shall be in writing. All such writings shall be sufficient only if hand delivered or if deposited in the United States Mail and sent as appropriate to the following addresses:

(A) The current President of the Association or the Secretary of the Board.

(B) Each Homeowner's address as registered with the Association.

25.02 No Liability. The Vineyards Homeowners Association, Inc. has, using best efforts and all due diligence, prepared and recorded in this Declaration so that the Board as well as each and every Owner shall have the right and the power to enforce the terms and provisions of this Declaration against every other Owner. However, in the event that this Declaration is, for any reason whatsoever, unenforceable by the Board or an Owner (or any other person) in a court of law or otherwise, the Association shall have no liability of any kind as a result of such unenforceability, and each and every Owner, by acceptance of a deed conveying a Lot, acknowledges that the Association shall have no such liability.

25.03. Signatures: IN WITNESS WHEREOF, the Association, acting through its duly authorized officers, has caused this Declaration to be duly executed and sealed on the First day of November, 1999.

THE VINEYARDS HOMEOWNERS ASSOCIATION, Inc. acknowledges and agrees that the Association is hereby bound by all of the Association's obligations under this Declaration of Covenants, Restrictions and Easements for the Vineyards Subdivision.

BY: _____ (The President of the Association), and

ATTEST: _____ (The Secretary of the Board)
and

WITNESS: _____