

(c) In the event a mortgagee endorsement has been issued as to any Unit under the policy under which such proceeds are paid, the share of that Unit Owner shall be held in trust for the Unit Owner and the Mortgagee, as their interest may appear. Unless a determination is made not to repair or reconstruct pursuant to Section 14.07(b) hereof, and such proceeds, or such portion thereof as may be required for such purpose, shall be disbursed by the Association as payment of the cost and any expenses of repair or reconstruction, as hereinafter provided. Any proceeds remaining after payment of all cost and expenses of repair or reconstruction shall be common profits.

14.07-Damage and Destruction.

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

(b) Any damage or destruction shall be repaired or reconstructed unless: (i) the Condominium is terminated pursuant to, subject to and in Accordance with the provisions of the Act and this Declaration; (ii) the damaged or destroyed portion of the Property is withdrawn from the Condominium pursuant to, subject to and in Accordance with the provisions of the Act; or (iii) the Unit Owners of the damaged or destroyed Units, if any, and their Mortgagees, together with the Unit Owners of other Units to which two-thirds of the votes in the Association appertain and the Mortgagees, exclusive of the votes appertaining to any damaged or destroyed Units, agree not to repair or reconstruct such damage or destruction, pursuant to, subject to and in Accordance with the provisions of the Act. Any such determination shall be conclusively made, if at all, not more than ninety (90) days after the date of the casualty. Should a determination be made to terminate the Condominium, as herein provided, then the insurance proceeds paid to the Association and held by it on Account of such casualty shall be common profits, to be held and disbursed pursuant to, subject to and in Accordance with the provisions of this Declaration and the Act. Should a determination be made to withdraw from the Condominium the damaged portion of the Property or not to repair or reconstruct the damage or destruction, as herein provided, then the insurance proceeds paid to the Association and held by it on Account of such casualty shall be disbursed by the Association in Accordance with the manner in which such proceeds are held by the Association, pursuant to the provisions of this Declaration and the Act. Any remittances with respect to Units as to which Mortgagee endorsements have been issued on the policies under which the proceeds were paid shall be payable to the Unit Owner and its mortgagee jointly, as their interest may appear.

(c) If the damage or destruction for which the insurance proceeds are paid is to be rebuilt and such proceeds are not sufficient to defray the cost thereof, the Association may levy an additional assessment against all unit owners in sufficient amounts to provide funds to pay such excess

cost of repair or reconstruction. Further, additional assessments may be made in a like manner and any time during or following the completion of any repair or reconstruction. The proceeds from insurance and assessments, if any, received by the Association hereunder when the damage or destruction is to be repaired or reconstructed shall be disbursed as provided for this Article.

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

14.09-Insurance Deductibles. In the event of an insured loss, any required deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one Unit or a Unit and the Common Elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to each affected Owner's portion of the total cost of repair. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Unit Owner shall be responsible for paying the deductible pertaining to his or her Unit, if any. If any Owner or Owners fail to pay the deductible when required under this subparagraph, then the Association may pay the deductible and assess the cost to the Owner or Owners pursuant to Section 9.02 of this Declaration; provided, however, where the deductible is for insurance required under the Act, no Owner shall be assigned more than one thousand (\$1,000.00) dollars, or such higher amount as authorized by the Act, as the cost of the deductible for any one occurrence.

ARTICLE XV LEASING

The Board shall have the power to make and enforce reasonable rules and regulations and to fine, in Accordance with the Declaration and Bylaws, in order to enforce the provisions of this Paragraph.

15.01-Definition. "Leasing," for purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any person or persons other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.

15.02-Leasing Provisions. Leasing of Units shall be governed by the following provisions:

(a) Units may be leased only in their entirety pursuant to a single lease agreement. All leases shall be in writing and in a form approved by the Board prior to the effective date of the Lease. There shall be no subleasing of Units or assignment of a lease without prior written approval of the

Board. Within seven (7) days after executing a lease agreement of a Unit, but in no event later than lessee's occupancy, Unit Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying that Unit. The Owner must provide the lessee with copies of the Declaration, Bylaws, and rules and regulations.

(b) Each Owner and each lessee, by occupancy of a Unit, covenants and agrees that any lease for a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant on the Unit:

(i) The lessee shall comply with all provisions of the Declaration, Bylaws and Association rules and regulations and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure compliance with the foregoing. The Owner shall cause all Occupants of his or her Unit to comply with the Declaration, Bylaws, and rules and regulations and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants are fully liable and may be sanctioned for any such violation. Unpaid fines shall constitute a lien against the Unit.

Any violation of the Declaration, Bylaws or rules and regulations by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in Accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from such violations, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in Accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Unit.

(ii) When a Unit Owner who is leasing his or her Unit fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

15.03-Inapplicability to Declarant and Holders of First Mortgages. This Section XV shall not apply to any leasing transaction entered into by Declarant, or any of them, or by the holder of any first Mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage.

ARTICLE XVI
SALE OF UNITS

16.01-A Unit Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of Directors of such intention within ten (10) days after execution of the transfer or sales documents. The Unit Owner shall furnish to the Board as part of the notice (i) the name and address of the intended grantee; and (ii) such other information as the Board may reasonably require. This Section shall not be construed to create a right of first refusal in the Association or in any third party.

Within ten (10) days after receiving title to a Unit, the purchaser of the Unit shall give written notice to the Board of Directors of his or her ownership of the Unit. Upon failure of a Owner to give the required notice within the ten-day time period provided herein, the Board may levy fines against the Unit and the Owner thereof, and assess the Owner for all costs incurred by the Association in determining his or her identity.

ARTICLE XVII
EMINENT DOMAIN

17.01-If any portion of the Condominium Property is taken by eminent domain, the award shall be allocated as provided in Official Code of Georgia Annotated Section 44-3-97.

ARTICLE XVIII
MAINTENANCE RESPONSIBILITY

18.01-*By the Owner.* Each Owner shall have the obligation to maintain and keep in good repair all portions of his or her Unit except any portion of a Unit which is expressly made the maintenance obligation of the Association as set forth in Section 18.02. This maintenance responsibility shall include, but not be limited to the following: all glass surfaces, windows, window frames, casings and locks (including caulking of windows); all doors, doorways, door frames, and hardware that are part of the entry system of the Unit, except for periodic painting or staining of the exterior surface of entry doors and door frames of the Condominium; all portions of the heating and air conditioning system, including the air conditioning compressor serving the Unit and the fan coil; and all pipes, lines, ducts, conduits, or other apparatus which serve only the Unit, whether located within or without a Unit's boundaries (including all electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits, or other apparatus serving only the Unit).

In addition, each Unit Owner shall have the responsibility:

(a) To keep in a neat, clean and sanitary condition any Limited Common Elements serving his or her Unit.

(b) To perform his or her responsibility in such manner so as not to unreasonably

disturb other persons in other Units.

(c) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible.

(d) To pay for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Unit Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Unit Owner, his or her family, tenants or guests, with the cost thereof to be added to and become part of the Unit Owner's next chargeable assessment.

18.02-By the Association. The Association shall maintain and keep in good repair as a Common Expense the "Area of Common Responsibility," which includes the following:

(a) all Common Elements, including any Limited Common Elements, but excluding all improvements made to such Limited Common Elements; provided, however, the cost of maintenance and repair of Limited Common Elements may be assessed against the Unit Owner to whom the Limited Common Element is assigned under Section 9.02.

(b) periodic cleaning of exterior window surfaces on a schedule to be determined by the Board of Directors;

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Common Elements by an Owner or Occupant which is the responsibility of the Association hereunder (including, but not limited to landscaping of Common Elements) shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Unit, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to the Owner of any Unit or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements. The Association shall not be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements

which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

The Association shall repair incidental damage to any Unit resulting from performance of work which is the responsibility of the Association. As finished levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready." Components that may require repair or replacement, such as tile and trim, will be reinstated only to the extent of readily available matching or similar materials (trim and such will also be finished to "paint ready"). Due to the uncontrollability of quality of repair, items such as faux paint treatment, wallpaper, ceiling/wall applique, and any other finishes that the Board deems unreasonable, will not be the responsibility of the Association. accessibility around personal belongings for workers to perform such repairs is the responsibility of the Unit Owner. Removal, storage, or other protective measures of personal items are also the responsibility of the Unit Owner. If the removal, storage or other protective measures are not taken by the Unit Owner and damage occurs due to the repair process, the Board will not be liable for such damage. Upon completion of such repairs the Association will perform cursory cleaning. As a level of cleaning is subjective, the Association will not be responsible for a detailed cleaning. The Board has sole discretion on defining what is reasonable for the level, quality and extent of the repair and subsequent cleaning. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

18.03-Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (a) an emergency exists or (b) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

If the Board determines that the need for maintenance or repair is in the Area of Common Responsibility and is caused through the willful or negligent act of any Owner, or Occupant or their family, guests, lessees, or invitees, then the Association may assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Unit, shall become a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

18.04-Measures Related to Insurance Coverage.

(a) The Board of Directors, upon resolution, shall have the authority to require all or any Unit Owner(s) to do any act or perform any work involving portions of the Condominium which are the maintenance responsibility of the Unit Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Owners to install smoke detectors, requiring Owners to make improvements to the Owner's Unit, and such other measures as the Board may reasonably require so long as the cost of such work does not exceed three hundred (\$300.00) dollars per Unit in any twelve (12) month period.

(b) In addition to, and not in limitation of, any other rights the Association may have, if any Unit Owner does not comply with any requirement made by the Board of Directors pursuant to subsection 18.04 (a), the Association, upon fifteen (15) days' written notice (during which period the Unit Owner may perform the required act or work without further liability), may perform such required act or work at the Unit Owner's sole cost. Such cost shall be an assessment and a lien against the Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subsection 18.04 (a) of this Section, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that Access may be had at any time without notice in an emergency situation.

ARTICLE XIX
PARTY WALLS

19.01-*General Rules of Law to Apply.* Each wall built as a part of the original construction of the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

19.02-*Sharing of Repair and Maintenance.* The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

19.03-*Damage and Destruction.* If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has benefitted by the wall may restore it, and the other Owner or Owners thereafter who are benefitted by the wall shall contribute to the cost of restoration thereof in equal proportions, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

19.04-*Right to Contribution Runs With Land.* The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

19.05-*Arbitration.* In the event of any dispute arising concerning a party wall, or under the provisions of this Section, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties. Compliance with this subsection shall be a condition precedent to any right of legal action that either party may have against the other in a dispute arising under the provisions of this Paragraph.

ARTICLE XX **MORTGAGEE'S RIGHTS**

20.01-*Rights.* Unless at least sixty (60%) percent of the first Mortgagees or Unit Owners give their consent, the Association or the membership shall not:

- (a) by act or omission seek to abandon or terminate the Condominium;
- (b) change the pro rata interest or obligations of any individual Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (2) determining the pro rata share of ownership of each Unit in the Common Elements;
- (c) partition or subdivide any Unit in any manner inconsistent with the provisions of this Declaration;
- (d) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements (the granting of easements or licenses, as authorized herein, shall not be deemed a transfer within the meaning of this clause); or
- (e) use hazard insurance proceeds for losses to any portion of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement, or reconstruction of such portion of the Condominium.

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

20.02-*Unpaid Expenses.* Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall

not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

20.03-*Notice.* Upon written request to the Association, identifying the name and address of the holder and the Unit number or address, any Eligible Mortgage Holder will be entitled to timely written notice of:

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

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

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

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

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

20.05 *Rights Not Impaired.* Notwithstanding anything to the contrary herein contained, the provisions of Article XV and XVI governing sales and leases shall not apply to impair the right of any first Mortgagee to:

(a) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or

(b) take a deed or assignment in lieu of foreclosure; or

(c) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

ARTICLE XXI
AMENDMENT

Except where a higher vote is required for action under any other provisions of this Declaration

or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding sixty (60%) percent of the total Association vote. As long as Declarant has the right to appoint the directors and officers of the Association, any amendment to this Declaration or the Bylaws shall require the written consent of Declarant. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Glynn County, Georgia land records.

In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage Holders who represent at least fifty-one (51%) percent of the votes of Units that are subject to Mortgages held by Eligible Mortgage Holders. Notwithstanding the above, the approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder receives notice of the proposed amendment sent by certified or registered mail, return receipt requested.

Notwithstanding the foregoing, Declarant or the Board of Directors, without the necessity of a vote from the owners, may amend this Declaration to comply with any applicable state, city or federal law, and/or to bring the Condominium into compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

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

ARTICLE XXII
TERMINATION OF THE CONDOMINIUM

22.01 Subject to the provisions of Official Code of Georgia Annotated, Section 44-3-98 with regard to the manner in which the termination of the Condominium shall be effected and to the consequences thereof, Marbella, A Condominium, shall be terminated only by the agreement of four-fifths (4/5) of the Owners of the Units and of all Mortgagees of such Units unless, in the case of the destruction of the entire development by fire or other casualty, following which the Owners of the Units decide not to rebuild, in which case the provisions of the By-Laws and the Declaration shall apply.

ARTICLE XXIII
CONTROL BY DECLARANT

23.01. Pursuant to and in Accordance with the provisions of Official Code of Georgia

Annotated, Section 44-3-101, the Declarant is hereby authorized in Accordance with the By-Laws of the Association, incorporated herein by reference, to appoint and remove any member or members of the Board of Directors and any officer or officers of the Association with or without cause until the first of the following two occur:

(a) The fifth anniversary of the date of recording of this Declaration, or

(b) The date as of which units to which eighty percent (80%) of the undivided interests in the Common Elements have been conveyed by Declarant to Unit Owners other than a Person or Persons constituting Declarant, or

(c) The date as of which the Declarant surrenders the authority to appoint and remove all members of the Board of Directors by express amendment to the Declaration executed and recorded by the Declarant.

ARTICLE XXIV
PERPETUITIES

24.01-Should any of the provisions of this Declaration be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the date that is ninety (90) years from and after the date of this Declaration.

ARTICLE XXV
GENERAL PROVISIONS

25.01-*Notices.* Notices provided for in the Act, this Declaration or the Articles or By-Laws shall be in writing, and shall be addressed to any Unit Owner at his/her or their Unit at the Condominium or at such other address as hereinafter provided. Notices to the Association shall be in writing and addressed to the President of the Association at his or her Unit at the Condominium, or to such other address as may hereafter be provided for and a written notice of such change of address furnished to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered three business days after mailing by United States Registered or Certified Mail, or when delivered in person. Upon written request to the Association, the holder of any interest in any unit shall be given a copy of all notices to be given to the Owner whose Unit is subject to such interest.

25.02-*Right to Notice, Attend Meetings and Inspection Of Records.* The Owner of any interest in any unit, including any Mortgagee, and any insurer or grantor of such mortgage, in addition to the rights set forth in the Act, shall have the right to inspect the books and records of the Association, including financial records, upon reasonable notice, and the right to attend and speak at any meeting of the Association, provided, however, no Person other than a member as such shall have any voting rights. If the Owner of any such interest files with the Association a written request, the Association shall have the right to notify such party of any violation by the Owner of such Unit, provided, however, that in no event shall the Association agree with any such party to furnish such notice unless

such party agrees in writing that in no event shall the Association be liable for any claim or damages as a result of any failure to give such notice. Upon written request, any Mortgagee shall have the right to receive a financial statement for the immediately preceding fiscal year.

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

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

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

25.06-Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the Condominium; however, each Owner, for himself or herself and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security on the Condominium. It shall be the responsibility of each Owner to protect his or her person and property and all responsibility to provide such security shall lie solely with each Unit Owner. Neither Declarant nor the Association shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of safety measures undertaken.

25.07-Dispute Resolution. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, a Unit Owner or Occupant must request and attend a hearing with the Board of Directors. Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or the property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) nor more than twenty-one (21) days from the date of receipt of the request.

25.08-Parking Spaces, Vehicles and Storage Spaces. Neither the Declarant nor the Association shall be held liable for loss or damage to any property, including but not limited to any vehicle and any items in any vehicles, placed or kept in any parking space in the Condominium. Nor shall the Declarant or the Association be held liable for loss or damage to any property, including water damage, to any vehicle and any items in any vehicle, placed or kept in any parking space in the Condominium any items placed or kept in any storage space in the Condominium. Each Owner or Occupant with use of a parking space or storage space who places or keeps a vehicle and/or any personal property in the

vehicle, parking space, or storage space does so at his or her own risk.

25.09 *Unit Keys.* Each Owner, by Acceptance of a deed to a Unit, agrees to provide the Association with a key to the Unit to be used by the Association for maintenance, emergency, security or safety purposes as provided in this Declaration and for pest control, if necessary, as provided in Section 26.05 of this Declaration. Neither the Declarant nor the Association shall be liable for any loss or damage due to its holding such key, or use of such key for the purposes described above and each Unit Owner shall indemnify and hold harmless the Declarant, the Association and its officers and directors against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon the Declarant, the Association or its officers or directors in connection with any action, suit, or other proceeding (including settlement of any such action, suit or proceeding) brought by the Unit Owner or the Unit Owner's family, tenants, guests, employees, invitees, or licensees against the Declarant, the Association, its officers or directors arising out of or relating to its holding or use of such key for the purposes described above.

25.10-*Right of Action.* All Owners hereby acknowledge and agree that the Association shall not be entitled to institute any legal action against anyone on behalf of any or all of the Owners which is based on any alleged defect in any Unit or the Common Elements, or any damage allegedly sustained by any Owner by reason thereof, but rather, that all such actions shall be instituted by the Person(s) owning such Units or served by such Common Elements or allegedly sustaining such damage.

ARTICLE XXVI EASEMENTS

26.01-*Use and Enjoyment.* Each Unit Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Elements (including the right of Access, ingress and egress to and from his or her Unit over those portions of the Condominium designated for such purpose), and such easement shall be appurtenant to and shall pass with the title to such Unit, subject to (i) the rights of the Unit Owners to the exclusive use of the Limited Common Elements assigned to their respective Units; (ii) to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein; and (iii) the right of the Association to have Access to the Units and Limited Common Elements assigned to a Unit to discharge its rights and obligations, under the Condominium Instruments, including without limitation, the maintenance responsibility of the Association.

26.02-*Support.* Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit.

26.03-*Encroachments.* The Units and Common Elements shall be subject to easements of encroachment as set forth in the Act.

26.04-Utilities. To the extent that any utility line, pipe, wire, or conduit serving any Unit, Units or the Common Elements shall lie wholly or partially within the boundaries of another Unit or the Common Elements, such other Unit, Units, or the Common Elements shall be burdened with an easement for the use, maintenance, repair and replacement of such utility line, pipe, wire or conduit, such easement to be in favor of the Unit, Units, or Common Elements served by the same and the Association. It shall be the obligation of the benefitted Owner to maintain, replace and repair any pipe, line, conduit, duct or wire owned by such Owner, even if such pipe, line conduit, duct or wire is located in the Unit of another Owner. In such circumstance, the benefitted Owner shall repair all incidental damage to any Unit resulting from performance of any such work. All Unit Owners hereby covenant and agree that as finished levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready." Components that may require repair or replacement, such as tile and trim, will be reinstated only to the extent of readily available materials or similar materials (trim and such will also be finished to "paint-ready"). Due to the uncontrollability of quality of repair, items such as faux paint treatment, wallpaper, ceiling/wall applique, and any other similar types of finishes, will not be the responsibility of the benefitted Owner.

26.05-Pest Control. The Association may but shall not be obligated to dispense chemicals for the extermination of insects and pests within the Units and Common Elements. In the event the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives, and agents shall have an easement to enter Units for the purpose of dispensing chemicals for the exterminating of insects and pests within the Units and Common Elements. Unit Owners shall either provide a key to the Unit for purpose of such entry or have someone available at such times as are designated by the Board of Directors to allow entry into the Unit for this purpose. The Association shall not be liable for any illness, damage, or injury caused by the dispensing of these chemicals for this purpose.

26.06-Declarant Easements. For so long as Declarant owns any Unit primarily for the purpose of sale, Declarant and its duly authorized contractors, representatives, agents, and employees shall have: (a) an easement for the maintenance of signs, a sales office, a business office, promotional facilities and model Units on the Condominium, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development or sale of the Unit; and (b) a transferable easement on, over, through, under and across the Common Elements and Limited Common Elements for the purpose of making improvements on the Condominium or any portion thereof, for the purpose of installing, replacing, repairing and maintaining all utilities serving the Condominium, and for the purpose of doing all things reasonably necessary and proper in connection therewith.

ARTICLE XXVII
AUTHOR

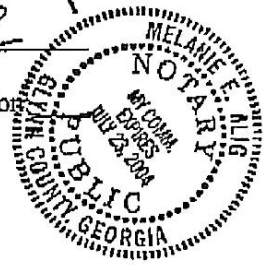
27.01-This Declaration was prepared by Thomas J. Lee of Lee & MacMillan, with an office address of 300 Main Street, Suite 201, Plantation Village, St. Simons Island, Georgia 31522 and revised by G. Carroll Palmatary, Esquire, 1600 Union Street, Brunswick, Georgia 31520.

IN WITNESS WHEREOF, the Declarant has executed this Declaration under seal on the 14th
day of Dec, 2001.

Signed, sealed and delivered in
the presence of

[Signature]
Unofficial Witness

[Signature]
Notary Public
Expiration of Commission



DECLARANT:
A & A PROPERTIES, L.L.C.

By: [Signature]
Its Member