

DECLARATION OF PROTECTIVE COVENANTS
FOR CARDINAL LAKE

This Declaration of Protective Covenants for Cardinal Lake (the "Declaration") shall be used as a supplement to the By-Laws of the Cardinal Lake Civic Association, Inc. (the "By-Laws") and should be read and interpreted in context with the By-Laws. The definitions set forth in the By-Laws apply to this Declaration unless otherwise noted herein.

1. NAME AND LOCATION.

The name of the property is the Cardinal Lake Neighborhood, which property is a residential property owners development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq. (Michie 1982). The property is located in Land Lots _____ of the _____ District, _____ Section of Gwinnett County.

2. DEFINITIONS.

Generally, terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Georgia Nonprofit Corporation Code. Unless the context otherwise requires, certain terms used in this Declaration shall be defined as follows:

- (a) Act shall mean the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq. (Michie 1982), as may be amended from time to time.
- (b) Additional Property shall mean all those Lots shown on the plats for the Neighborhood Plats, which are not submitted hereto by written consent recorded with this Declaration. Such Lots, upon execution and recording of consent by the Lot Owner in accordance with the terms of this Declaration, shall become a portion of the Property.
- (c) By-Laws shall mean the Amended and Restated By-Laws of Cardinal Lake Civic Association, Inc. attached as Exhibit "D" and made a part of this Declaration.
- (d) Cardinal Lake Subdivision shall mean that property described on those plats ("Plats") for Cardinal Lake recorded in Plat Book _____ Page _____, Gwinnett County, Georgia records, as may be amended or supplemented from time to time. The plats are incorporated herein by this reference.
- (e) Civic Member shall mean a member of the Association who executes this Declaration, but who is not obligated to pay assessments as provided in the By-Laws.
- (f) Eligible Mortgage Holder shall mean a holder of a First Mortgage secured by a Lot, which Lot is a portion of the Property, who has requested notice of certain items as set forth herein.
- (g) Permanent Member shall mean a Lot Owner whose Lot has been subjected to Permanent Membership in the Association by written consent recorded in the Gwinnett County, Georgia land records, as provided in the By-Laws.
- (h) Permanent Member Lot shall mean a Lot subjected to Permanent Membership in the Association hereunder.
- (i) Permanent Membership shall mean a membership in the Association which is permanent and mandatory and which cannot be separated from a Lot, but rather is

appurtenant to and runs with title to a Lot by virtue of a written consent, recorded in the Gwinnett County, Georgia land records as provided in Paragraph 4 hereof.

- (j) Personal Hardship shall mean Permanent Members that incur severe personal hardships more fully described in Paragraph 5(b) hereof.
- (k) Property shall mean that real estate in the Neighborhood, which is submitted to the provisions of this Declaration by the Owner's execution of this Declaration after the recording of this Declaration. By recordation of this Declaration, the Community Property is hereby submitted to this Declaration and the Act and shall be deemed a part of the Property.
- (l) Voluntary Member shall mean an Owner of a Lot who is a Member of the Association, but whose Lot has not been subjected to a Permanent Membership in the Association by written consent recorded in the Gwinnett County, Georgia land records as provided in the By-Laws.

3. EFFECTIVE DATE.

Owners may submit their Lots to the terms of this Declaration with payment of a \$1.00 initiation fee during the Enrollment Period if requested by the Board, which period shall close April 30, 2006. This Declaration shall not be effective until this Declaration is recorded in the Gwinnett County, Georgia land records, which shall be no later than ninety (90) days after the end of the Enrollment Period. Additional Consents, by Owners of Lots within the Additional Property, may be recorded at any time subsequent to the recording of this Declaration, subject to the terms of this Declaration. Consents shall be valid only if executed by at least one officer of the Association and recorded by the Association.

4. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS.

Association membership and voting rights shall be as provided in the By-Laws.

5. ASSESSMENTS.

(a) General. The Association shall have the power to levy assessments or dues against all Members as provided herein and in the By-Laws. The assessments for Common Expenses provided for herein shall be used for the general purposes of maintaining, repairing, replacing, insuring, managing, operating and, in the Board's discretion, improving the Community Property, otherwise operating the Property, enforcing this Declaration, paying for utility services serving the Community Property, maintaining a reserve fund for future Community Property maintenance, repairs or improvements, and promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of Lots in the Property and the Members, as may be more specifically authorized from time to time by the Board. Except as otherwise provided herein, each Permanent Member Lot is hereby allocated equal liability as all other Permanent Member Lots for Common Expenses, none of which must be equal with that of Voluntary or Sponsored Members.

(b) Permanent Members: Personal Hardship. Each Permanent Member who is the primary family wage earner and incurs severe personal hardship may apply to the Board to have their unpaid membership fees, dues, and/or assessments waived (the "Waiver") without loss of basic Permanent Member privileges for the balance of each year in which the hardship occurs. The Waiver shall continue for the duration of the hardship plus 120 days, at which time, a pro-rata share of the unpaid fees, dues, and/or assessments shall become due. Conditions for such personal hardship ("Personal Hardship") are: (i) catastrophic illness such as Cancer or other debilitating illness, which continues for more than 120 days; (ii) temporary loss of employment, which continues for more than 120 days; (iii) with resources and

annual income below the State of Georgia's General Eligibility Requirements for welfare assistance; (iv) major uninsured damage to a primary residence on a Permanent Member Lot due to fire or natural disaster. Furthermore, the Board shall review all such requests on a timely basis and shall not unreasonably deny any such Waiver.

(c) Permanent Members: Creation of the Lien and Personal Obligation For Assessments. Each Owner of a Permanent Member Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual base assessments (dues) or charges; (ii) special assessments, such assessments to be established and collected as hereinafter provided; and (iii) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration including reimbursement charges as set forth in Subparagraph 5(i) herein.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred, in the maximum amount permitted under the Act, shall be a charge on such Permanent Member Lot 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 assessment fell due. Each Owner of a Permanent Member Lot 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. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include acceleration of any unpaid portion of any annual or special assessment for delinquent Owners upon ten (10) days written notice.

The lien provided for herein shall have priority as set forth in the Act. The sale or transfer of any Lot pursuant to foreclosure of a first Mortgage shall extinguish the lien for assessments as to payments coming due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter coming due or from the lien thereof. No Permanent Member may exempt him or herself from liability for or otherwise withhold payment of assessments for any reason whatsoever.

(d) Delinquent Assessments. All assessments and related charges not paid on or before the due date established by the Board shall be delinquent, and the Member shall be in default.

i) If the annual assessments or any part or installment thereof is not paid in full within thirty (30) days of the due date, 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 Member, and interest at the highest rate permitted under the Act (or the highest rate otherwise permitted under Georgia law for Voluntary and Sponsored Members) shall accrue from the due date.

ii) For Owners who are Permanent Members in the Association, the Association, acting through the Board, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the By-Laws, and the Act, if the amounts remain unpaid for more than sixty (60) days.

iii) For Voluntary Members and Sponsored Members, if assessments or other charges, or any part thereof, remain unpaid more than thirty (30) days, such Member's right to use the recreational facilities shall be suspended and the Association may revoke such Member's membership in the Association upon ten (10) days written notice.

iv) If part payment of assessments and related charges is made, the amount received shall be applied first to costs and attorneys fees, as applicable, and then, in order, to late charges, interest, delinquent assessments, and current assessments.

(e) Maximum Assessments; Computation of Operating Budget and Assessment.

i) Permanent Member Assessment. The annual Base Assessment shall be established pursuant to a budget created and adopted by the Board, covering the estimated costs of maintaining and operating the Community Property during the coming year.

A) Base Assessment. This budget shall include a Base Assessment which must be paid by all Permanent Members for Community Property expenses including, but not be limited to, expenses for the following purposes: to support the pool, clubhouse, beach, boat ramp and docks, and all Community Property; to pay all insurance premiums; and to pay for utilities; administration; property taxes; general maintenance; landscape maintenance; and a reserve or capital contribution for improvements.

B) Computation of Operating Budget and Assessment. It shall be the duty of the Board at least sixty (60) days prior to the beginning of the Association's fiscal year to prepare the budgets covering the estimated costs of operating the Community Property during the coming year. The budget shall cover all Community Property expenses including, but not limited to: expenses for the pool, the clubhouse, the beach, the boat ramp and docks, and all Community Property; taxes on Community Property, insurance premiums; and utilities (hereinafter referred to as the "Budget"). The Budget shall reflect all amounts to be received from initiation fees, annual dues, Assessments, and from all other sources.

The Board shall cause the Budget and notice of the annual dues to be levied against each Member for the following year to be delivered to each Member at least twenty-one (21) days prior to the Association's annual meeting. The Budget, including annual fees, assessments and other charges, shall become effective upon approval by a majority of the Permanent and Voluntary Members present in person or by proxy at a duly called and constituted annual meeting of the Association; provided, however, if a quorum is not present at the meeting, the Budget will not be decided. If a quorum is not obtained at the annual meeting, if the membership disapproves the proposed Budget or if the Board fails for any reason to determine the Budget for the succeeding year, then and until such time as a Budget has been determined as provided herein, the Budget in effect for the current year shall continue for the succeeding year, and the Board may propose a new Budget at any time during the year by causing the proposed Budget and fees and Assessments to be delivered to the Members at least thirty (30) days prior to the proposed effective date thereof. Unless a special meeting is requested by the Members, as provided in the By-Laws for special meetings, the new Budget and Assessments and fees shall take effect without a meeting of the Members.

For Permanent Members, the maximum Base Assessment for the first year after the recording of this Declaration shall not exceed \$450.00. Notwithstanding anything to the contrary herein, if a Permanent Member transfers a Lot to another Permanent Member, there shall be no refund of the annual assessment and the purchaser and seller may allocate the annual assessment among themselves in a manner which they shall determine.

The Board of Directors shall not spend ten percent (10%) more than the budget without approval of a majority of the eligible Members present in person or by proxy at a duly called meeting.

C) Payment. All annual dues shall be billed as early as possible for the year to all previous years' Members' addresses. Annual dues for Permanent and Voluntary Members may be paid in up to three (3) installments and must be paid in full no later than March 31. If a Permanent or Voluntary Member has not paid their annual dues in full by March 31, such dues shall be considered delinquent and a late charge in the amount of ten (10%) percent of the annual dues may be assessed against the delinquent Member at the discretion of the Board of Directors, and such Member may be asked to return their key(s) to the community property. The annual dues for Sponsored Members are due in full when their application is approved by the Board unless other arrangements are approved by the Board of Directors.

(ii) Voluntary and Sponsored Assessment. The Board shall establish the annual assessment chargeable to Voluntary and, if any, Sponsored Members, which shall contribute to the Common Expenses of the Association. The Board shall cause the notice of the assessments to be levied against each Voluntary and Sponsored Member for the following year to be delivered to each Voluntary and Sponsored Member as provided in subparagraph 5(e)(i) above. The Voluntary and Sponsored Member annual assessments shall be determined by the Board of Directors each year; provided, however, the Voluntary and Sponsored Member Assessment shall be at least one hundred and twenty (120%) percent more than the Permanent Member annual assessment. Each Voluntary and Sponsored Member shall be personally liable for all assessments, as well as for any Common Expenses occasioned by the conduct of such Member or such Member's guests or invitees.

(f) Initiation Fee. Subsequent to the Enrollment Period, the Board, in its discretion, may require a non-refundable initiation fee in order to become a Permanent Member, not to exceed \$350.00; provided, however, the successor-in-title to a Lot owned by a Civic Member who has executed this Declaration, as evidenced by their consent attached hereto, who automatically converts to Permanent Membership shall not be obligated to pay an initiation fee. The Board, by a majority vote of the Board, may increase the initiation fee. Any initiation fees paid pursuant to the terms of this paragraph shall be nonrefundable and nontransferable, except that if a Permanent Member leases his or her Lot, the tenant shall not be obligated to pay an initiation fee.

(g) Special Assessments. In addition to the annual assessment provided for above, the Board may at any time levy a special assessment for any purpose against all Permanent Members if within the scope of the Base Assessment, notice of which shall be sent to all Permanent Members; provided, however, prior to becoming effective, any special assessment first shall be approved by the affirmative vote of at least two-thirds (2/3) of eligible Permanent Members present or represented by proxy at a duly called meeting, notice of which shall specify that purpose, or by ballot specifying that purpose.

Special assessments chargeable to Voluntary and Sponsored Members shall be set by the Board of Directors. Alternatively, in the Board of Director's discretion, Voluntary and/or Sponsored Members may be excluded from special assessments for items which do not involve the recreational facilities on the Property, and such Members shall not participate in the vote for such special assessments.

(h) Capital Budget and Reserve Contribution. As part of the annual budget and the Base Assessment, the Board may fix and establish an annual reserve or capital contribution, in an amount sufficient to permit meeting the projected capital and future needs of the Association.

(i) Statement of Account. Any Owner, Mortgage holder, or a Person having executed a contract for the purchase of a Permanent Member Lot, or a lender considering a loan to be secured by a Permanent Member Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Permanent Member Lot. The Association shall respond in writing within fourteen (14) days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding ten (\$10.00) dollars, or such higher amount as authorized by the Act, as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein.

(j) Reimbursement Charges. In the discretion of the Board, any Association 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, including but not limited to reasonable attorneys fees actually incurred by the Association, may be specially assessed against such Lot or Lots. Failure of the Board to exercise its authority under this Paragraph shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Paragraph in

the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Subparagraph.

(k) Transfer Fee. The Board shall have the authority, on behalf of the Association; to establish and collect a transfer fee from the transferring Owner upon each transfer of a Lot, which fee shall be payable to the Association at the closing of the transfer and shall be secured by the Association's lien for assessments under Subparagraphs 5(c) and (d) above. The Board shall have the sole discretion to determine the amount and method of determining any transfer fee. However, in no event shall any such transfer fee exceed one-half (1/2) the Base Assessment for the fiscal year in which the transfer occurs. All transfer fees shall be deposited into the Association's accounts to be used for such purposes as the Board deems beneficial to the general good and welfare of the Association.

6. MORTGAGEE'S RIGHTS

(a) Mortgagee Approval of Actions. Unless at least two-thirds (2/3) of either the holders of first Mortgages on Permanent Member Lots or the Permanent Member Lot Owners give their consent, the Association shall not:

- i) by act or omission seek to abandon or terminate the Property or the Association;
- ii) change the pro rata interest or obligations of any individual Permanent Member Lot for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;
- iii) partition or subdivide any Lot;
- iv) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Community Property (the granting of utility or public easements or rights-of-way shall not be deemed a transfer within the meaning of this provision); or
- v) use hazard insurance proceeds for losses to any portion of the Community Property for other than the repair, replacement, or reconstruction of such portion of the Community Property.

This provision shall not apply to prevent Owners from partitioning, subdividing or relocating boundaries of their Lots, if done in compliance with all recorded restrictions or covenants affecting the Lots and with applicable Gwinnett County, Georgia zoning and other requirements.

(b) Mortgagee Assessments Upon Foreclosure of Permanent Member Lot. Where the Mortgagee holding a first Mortgage of record on a Permanent Member Lot or other purchaser of a Permanent Member Lot obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot 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 Permanent Member Lots, 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.

(c) Mortgagee Notices. Upon written request to the Association, identifying the name and address of the holder and the Lot number or address, any Eligible Mortgage Holder of a Permanent Member Lot will be entitled to timely written notice of:

i) any condemnation loss or any casualty loss which affects a material portion of the Community Property or any Lot on which there is a first Mortgage held by such Eligible Mortgage Holder;

ii) any delinquency in the payment of assessments or charges owed by an Owner of a Permanent Member Lot 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 Lot Owner of any other obligation under the Declaration or By-Laws which is not cured within sixty (60) days;

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

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

(d) Any holder of a first Mortgage on a Permanent Member Lot 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.

7. ASSOCIATION RIGHTS AND RESTRICTIONS.

The Association, acting through its Board of Directors, shall have the right and authority, in addition to all other rights it may have:

(a) to make and to enforce reasonable rules and regulations governing the use of the Property and Community Property;

(b) to enforce the provision of this Declaration and the By-Laws and rules and regulations concerning the Property and Community Property, by imposing reasonable monetary fines, suspending voting privileges of Permanent Members, suspending or revoking Memberships of Voluntary and Sponsored Members, using any other legal or equitable means, including self-help, and any other available legal or equitable means. These powers, however, shall not limit any other legal means of enforcing the Declaration, By-Laws and rules and regulations by either the Association or, in an appropriate case, by an aggrieved Owner. Any fines imposed against a Permanent Member shall be considered an assessment against the Lot;

(c) to grant permits, licenses, utility easements, and other easements, permits, public rights-of-way or licenses necessary for the proper maintenance or operation of the Community Property under, through, or over the Community Property, as may be reasonably necessary to or desirable for the ongoing development and operation of the Community Property;

(d) to control, manage, operate, maintain, replace and, in the Board's discretion, improve all portions of the Community Property in accordance with the Declaration and By-Laws;

(e) to deal with the Community Property in the event of damage or destruction as a result of casualty loss, condemnation or eminent domain, in accordance with the provisions of this Declaration;

(f) to close permanently or temporarily any portion of the Community Property with, except in emergency situations, sixty (60) days prior notice to all Members; provided, however, the Permanent Members may re-open the closed Community Property by a majority vote of the total membership vote, cast at a duly called special or annual meeting;

(g) to represent the Members in dealing with governmental entities including the Community Property;

(h) to acquire, hold and dispose of tangible and intangible personal property and real property.

(i) to establish guidelines and assessments for Voluntary and Sponsored Members, if in the Board's sole discretion such is desired.

8. INSURANCE.

(a) Fire and Extended Coverage. The Association's Board or its duly authorized agent shall have the authority to and, if reasonably available, shall obtain insurance for all insurable improvements on the Community Property. This insurance shall include fire and extended coverage, including coverage for vandalism and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

(b) Liability Coverage. The Board shall obtain a public liability policy applicable to the Community Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its Members or agents in their capacities as such, and directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million (\$1,000,000.00) Dollars.

(c) Premiums and other Coverage. Premiums for all insurance obtained by the Association shall be a Common Expense of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

(d) All such insurance coverage obtained by the Board shall be written in the name of the Association, as trustee, for the benefit of the Association and its members.

(e) The Board, in its reasonable discretion, also may maintain as a Common Expense a fidelity bond or similar coverage on directors, officers, employees or other Persons handling or responsible for the Association's funds, in an amount determined in the Board's business judgment.

9. REPAIR AND RECONSTRUCTION.

In the event of damage to or destruction of all or any part of the Community Property as a result of fire or other casualty, unless eighty (80%) percent of the Members vote not to proceed with the reconstruction and repair of the structure, the Board or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure. In the event of substantial damage or destruction, Eligible Mortgage Holders on a Permanent Member Lot shall be entitled to written notice of the damage.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to the Community Property, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures thereon to substantially the condition which existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.

(b) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, a special assessment shall be made in accordance with Paragraph 5(g) above.

If after repair and reconstruction is completed there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board.

(c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Community Property was originally constructed, except where changes are necessary to comply with current applicable building codes.

(d) Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against Members on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Paragraph to be disbursed by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board.

10. USE RESTRICTIONS.

Each Member shall be responsible for ensuring that the Owner's family, guests, tenants and occupants comply with all provisions of this Declaration, the By-Laws and the rules and regulations of the Association. In addition to any rights the Association may have against the Member's family, guests, tenants or occupants, the Association may take action under this Declaration against the Member as if the Member committed the violation in conjunction with the Member's family, guests, tenants or occupants.

Use restrictions regarding use of the Property and Community Property are as follows and also as may be adopted by the Board in rules and regulations and as specified in the By-Laws:

(a) Use of Community Property. There shall be no obstruction of the Community Property, nor shall anything be kept, parked or stored on any part of the Community Property without prior written Board consent, except as specifically provided herein or in the Association's rules and regulations.

With prior written Board approval, and subject to any restrictions imposed by the Board, a Member or Members may reserve portions of the Community Property for use for a period of time as set by the Board. Any such Member or Members who reserve a portion of the Community Property hereunder shall assume, on behalf of himself/herself/themselves and his/her/their guests, occupants and family, all risks associated with the use of the Community Property and all liability for any damage or injury to any person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

(b) Prohibition of Damage, Nuisance and Noise. Noxious, destructive or offensive activity shall not be carried on upon the Property or Community Property. Each Member shall refrain from any act or use of the Property or Community Property, which could reasonably cause embarrassment, discomfort, nuisance or annoyance to other Members or their guests, tenants or invitees. No Member may use or allow the use of the Property or Community Property in any way or for any purpose which may endanger the health or unreasonably annoy or disturb other Members, their guests, tenants or invitees or in such a way as to constitute, in the Board's sole opinion, a nuisance. Nothing herein, however, shall be construed to affect the rights of an aggrieved Member to proceed individually for relief from interference with his or her property or personal rights.

11. SEVERABILITY.

Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

12. DURATION.

The covenants and restrictions of this Declaration shall run with and bind the Property perpetually to the extent provided in the Act.

13. AMENDMENT.

This Declaration may be amended with the affirmative vote, written consent, or any combination thereof, of the Permanent Members holding at least two-thirds (2/3) of the total eligible vote of the Association. The notice of a meeting, if any, for consideration of any amendment hereto shall state the fact of consideration and subject matter of such proposed amendment. Any such amendment shall be certified by the President and Secretary of the Association and recorded in the Gwinnett County, Georgia land records.

14. MAINTENANCE.

The Association shall maintain, keep in good repair and, in the Board's discretion, improve the Community Property. This maintenance shall include, without limitation, maintenance, repair and replacement, subject to any insurance then in effect, of all structures, landscaping grass areas, paving and other improvements situated on the Community Property. The Association shall have the right, but not the obligation, to maintain other property not owned by the Association where the Board has determined that such maintenance would benefit all Owners.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned Lot Owners at Neighborhood, by execution of this Declaration do hereby submit their Lots to the terms of this Declaration and to Permanent Membership or Civic Membership in the Cardinal Lake Civic Association, Inc., and, further, the undersigned officers of the Cardinal Lake Civic Association, Inc., hereby certify that this Declaration was duly adopted by and consented to by the required majority of Lot Owners and by the Board of Directors of the Association.

This ____ day of _____, 200__

CARDINAL LAKE CIVIC ASSOCIATION, INC.

By: _____
President

Attest: _____
Secretary

[CORPORATE SEAL]

Sworn to and subscribed to
before me this ____ day of
_____, 200__

Witness

Notary Public

[NOTARY SEAL]

[ADDITIONAL SIGNATURES ON FOLLOWING PAGES]

[Additional signatory to Declaration]

The undersigned Owner(s) is/are the record Owner and holder of title in fee simple to a Lot within the _____ Subdivision in Gwinnett County, Georgia, located at the address described below, and more particularly shown as Lot _____, as located in Land Lot _____, ___ District, ___ Section and as shown on the plat of survey for _____ Subdivision recorded in Plat Book _____, Page _____, Gwinnett County, Georgia records such plat being incorporated herein by this reference.

Permanent Member

or

Civic Member

Signed, sealed and delivered
this ____ day of _____,
200____.

Signature of Owner

Print or Type Full Name of Owner

Witness

[NOTARY SEAL]

Street Address

Signed, sealed and delivered
this ____ day of _____,
200____.

Signature of Co-Owner

Print or Type Full Name of Co-Owner

Witness

[NOTARY SEAL]

[ADDITIONAL SIGNATURES ON FOLLOWING PAGES]

Civic Member

Permanent Member

Signed, sealed and delivered
this ____ day of _____,
200__.

Signature of Owner

Print or Type Full Name of Owner

Witness

[NOTARY SEAL]

Street Address

Signed, sealed and delivered
this ____ day of _____,
200_ .

Signature of Co-Owner

Print or Type Full Name of Co-Owner

Witness

[NOTARY SEAL]

EXHIBIT "B"

STATE OF GEORGIA
COUNTY OF GWINNETT

Index in Grantor Index Owner's Name(s): _____
Index in Grantor and Grantee Index Also Under:
Cardinal Lake Community Association, Inc.
Cardinal Lake Association, Inc.
Cross Reference Owner's Deed: Deed Book _____
Page _____
Cross Reference to Cardinal Lake Declarations: Deed Book _____
Page _____

CONSENT FORM TO THE DECLARATION OF PROTECTIVE COVENANTS FOR
CARDINAL LAKE AND OWNER SUBMISSION TO MEMBERSHIP IN
CARDINAL LAKE CIVIC ASSOCIATION, INC.

WHEREAS, the undersigned owner(s) (hereinafter referred to as "Owner") is the record owner and holder of title in fee simple to a Lot as defined in the Declaration of Protective Covenants and Permanent Membership for _____ subdivision (hereinafter "Declaration") in Gwinnett County, Georgia, located at the address described below, and more particularly shown as Lot _____, as located in Land Lot _____, ___ District, ___ Section, as shown on the plat of survey for Cardinal Lake subdivision recorded in Plat Book _____, Page _____, Gwinnett County, Georgia records (hereinafter "Owner's Property") incorporated herein by this reference; and

WHEREAS, Owner desires to submit Owner's Property to the Declaration of Protective Covenants as a:

Permanent Member or Civic Member

of the Association, as defined in the Declaration;

NOW, THEREFORE, Owner does hereby consent, on behalf of the Owner, Owner's successors, successors-in-title, heirs, and assigns, that from and after the date of this Consent, Owner's Property shall be owned, held, transferred, sold, conveyed, used, occupied, mortgaged, or otherwise encumbered subject to all of the terms, provisions, covenants, and restrictions contained in the Declaration, as a Participating Member of the Association, all of which shall run with the title to Owner's Property and shall be binding upon all persons having any right, title, or interest in Owner's Property, their respective heirs, legal representatives, successors, successors-in-title, and assigns. Owner understands and acknowledges that, by submitting Owner's Property to Participating Membership (as defined in the Declaration) in the Association, Owner is hereby subjecting Owner's Property to mandatory assessment in favor of the Association, with lien rights afforded therefore, in accordance with the Declaration.

Signed, sealed, and delivered this _____ day of _____, _____, _____ Signature of Owner

Witness Print or Type Full Name of Owner(s)

Notary Public Signature of Co-Owner

[NOTARY SEAL] _____
Street Address

THIS PORTION TO BE COMPLETED BY ASSOCIATION UPON RETURN FROM OWNERS:

Signed, sealed, and delivered this _____ day of _____, 200____. Approved by: _____
CARDINAL LAKE COMMUNITY ASSOCIATION, INC.

Witness By: _____
Its: President

Notary Public [CORPORATE SEAL]

[NOTARY SEAL]

[FOR SUBSEQUENT ADDITIONS]

Comment [BDB1]:

EXHIBIT "C"

Community Property Submitted

Return to:

**Instructions to Clerk: Cross Reference to Deed
Books set forth below; Index each of the
signatories in Grantor index; Index
Cardinal Lake Civic Association, Inc.
in Grantor and Grantee Indexes**

**The common area (Exhibit "C") and all lots are located in
Land Lots _____, ___ District**

STATE OF GEORGIA

COUNTY OF GWINNETT

**DECLARATION OF PROTECTIVE COVENANTS
FOR CARDINAL LAKE**

WHEREAS, the lot owners at Cardinal Lake Subdivision in Gwinnett County, Georgia, have executed this Declaration, are the owners of that certain real property described in the signature pages attached hereto (the "Property") and desire to subject the Property to the terms and provisions of this Declaration of Protective Covenants for Cardinal Lake ("Declaration") and to hereby subject the Property to permanent mandatory membership in the Cardinal Lake Civic Association, Inc. ("Association"); and

WHEREAS, the undersigned officers of the Association desire to approve this Declaration on behalf of the Association;

NOW, THEREFORE, the undersigned officers of the Association and all lot owners who have executed this Declaration, hereby declare that all of the lots of such owners and the Community Property described in Exhibit "C" shall be held, sold and conveyed subject to this Declaration, which is for the purpose of enhancing and protecting the desirability and attractiveness of, and which shall run with, the Property, and be binding on all parties having any right, title or interest in the Property or any part thereof,

and shall, subject to all limitations herein provided, inure to the benefit of each owner of any portion of the Property, his heirs, grantees, distributions, successors and assigns and to the benefit of the Association:

**Instructions to Clerk: Cross Reference to Deed
Books set forth below; Index each of the
signatories in Grantor index; Index
Cardinal Lake Civic Association, Inc.
in Grantor and Grantee Indexes**

**The common area (Exhibit "C") and all lots are located in
Land Lots _____, ____ District**

STATE OF GEORGIA

COUNTY OF GWINNETT

DECLARATION OF PROTECTIVE COVENANTS

FOR CARDINAL LAKE

- TABLE OF CONTENTS -

	<u>Page</u>
1. NAME AND LOCATION	1
2. DEFINITIONS.....	1
3. EFFECTIVE DATE	3
4. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	3
5. ASSESSMENTS.....	4
6. MORTGAGEE'S RIGHTS.....	8
7. ASSOCIATION RIGHTS AND RESTRICTIONS	9
8. INSURANCE.....	10
9. REPAIR AND RECONSTRUCTION.....	10
10. USE RESTRICTIONS	11
11. SEVERABILITY.....	11
12. DURATION.....	12
13. AMENDMENT	12
14. MAINTENANCE.....	12
15. GENERAL PROVISIONS.....	12
16. PREPARER	13

- LIST OF EXHIBITS -

LIST OF SUBMITTED LOTS	"A"
MODEL CONSENT FORM.....	"B"
COMMUNITY PROPERTY	"C"
BY-LAWS.....	"D"