

①

DECLARATION OF CONDOMINIUM
OF
WOODCLIFF OFFICE CONDOMINIUMS
IN ATHENS-CLARKE COUNTY, GEORGIA

FILED IN OFFICE
CLERK SUPERIOR COURT
CLARKE COUNTY, GA
DEC 31 4 56 PM '91

BOOK 1155 PAGE 100
DATE 12-31-91
DOLORES BRUCE, CLERK

THIS DECLARATION is made, executed and recorded to submit the property hereinafter described and the improvement thereon to the condominium form of ownership under the Georgia Condominium Act.

1. SUBMISSION: William C. Van Orman and Susan Van Orman, as the owners of the property described as Woodcliff Office Condominiums on Exhibit "A" hereto attached and made a part hereof by reference, do hereby submit such property and the improvements constructed thereon pursuant to the provisions of the Georgia Condominium Act, Act 463, Georgia Laws 1975, p. 609 as amended (the "Act"). From and after the date this Declaration is recorded with the Clerk of the Superior Court of Athens-Clarke County, Georgia, such property and all of the improvements constructed thereon, shall be owned, held, transferred, sold, conveyed, used, occupied, mortgaged or otherwise encumbered subject to the terms and provisions of this Declaration and of the Act.

2. DEFINITIONS: Unless the context requires otherwise the terms defined in the Act shall have the same meanings for purposes of this Declaration as are described to them by the Act. In addition, as used in this Declaration, the Articles of Incorporation, the Bylaws and the other condominium instruments, the following terms shall have the meanings indicated hereinbelow, all of such definitions being cumulative of these contained elsewhere in this Declaration.

(a) "Act" shall mean the Georgia Condominium Act, Act 463, Georgia Laws, 1975, p. 609, as the same is or may be hereinafter amended.

(b) "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as the same may be hereinafter amended.

(c) "Association" shall mean the Woodcliff Condominium Association, Inc., a Georgia non-profit membership corporation

formed for the purpose of exercising the powers of the Association under this Declaration, the Articles of Incorporation, the Bylaws, and the Act.

(d) "Board of Directors" shall mean the Board of Directors of the Association, the members of which shall be appointed and elected from time to time as provided in this Declaration, the Articles of Incorporation, the Bylaws, and the Act. The Board of Directors shall be the governing body of the Association.

(e) "Bylaws" shall mean the Bylaws of the Association, as the same may hereafter amended.

(f) "Declarant" shall mean their heirs, executors, administrators and assigns.

(g) "First Lien Mortgage" shall mean a mortgage, a deed to secure debt or deed of trust on a unit and its undivided interest in the common elements which gives to the holder thereof a first and superior lien and security title on and to such unit and undivided interest.

(h) "The Property" means that tract or parcel of land and all improvements thereon described as Woodcliff Office Condominiums in Exhibit "A" hereto attached and by reference incorporated herein.

3. NAME: The name of the Condominium is Woodcliff Office Condominiums.

4. COUNTY: The Condominium is located in Athens-Clarke County, Georgia.

5. DEVELOPMENT PLAN: The development plan for the Condominium is hereinafter described.

(a) Development of the Property: The Development shall consist of a total of 10 units, each including a certain parcel of land and the commercial units located thereon. The plat recorded at Condominium Plat Book 1, page 249, Clarke County, Georgia Records shows the location and dimensions of the property, the location and dimensions of the vertical boundaries of each completed unit, the location and dimensions of all completed structural improvements located on the property, to the extent

feasible, the location and easements to which the property is subject, the identifying numbers of the completed units located on the property and the location and dimensions of any limited common elements appurtenant to each unit. The commercial units on the property have been constructed substantially in accordance with the survey and the plans which have been filed simultaneously with the filing of this Declaration in the Office of the Clerk of Superior Court of Clarke County, Georgia.

6. UNITS: Each unit together with its undivided interest in the common elements shall for all purposes constitute a separate parcel of real property, which may be owned, held, transferred, sold, conveyed, used, occupied, mortgaged, or otherwise encumbered in the same manner as any other separate parcel of real property, subject to the provisions of this Declaration and the Act. Each unit owner shall be entitled to the exclusive ownership and possession of the unit or units owned by him, subject to the provisions of this Declaration and the Act. Each unit shall include all of the space and improvements within the boundaries thereof.

(a) Boundaries: The units shall have no lower horizontal boundaries. The upper horizontal boundary of each unit shall be the under surfaces of the joists which are the ceiling joists for the uppermost floor of such unit. The vertical (lateral) boundary of each unit shall be the exterior unfinished surface of the outside walls of such unit. All of the aforesaid boundaries shall be extended to the intersections with each other. Notwithstanding the foregoing, all exterior doors and glass surfaces, such as windows, serving each unit shall be deemed to be included within the boundaries thereof; and all portions of the heating and air conditioning systems (including furnaces, compressors, conduits, wires, pipes, and the like) serving a single unit shall be deemed to be included within the boundaries of that unit, irrespective of whether the same are located within the boundaries above described.

(b) Relocation of Boundaries Between Units: The boundaries between adjoining units may be relocated from time to

time, such relocations to be made in accordance with Section 27 of the Act; provided, however, and notwithstanding the foregoing, any amendment to this Declaration which is to be executed and recorded in connection with any such relocation of boundaries between adjoining units must be approved in writing by the owners of two-thirds (2/3rds) of the units.

7. LIMITED COMMON ELEMENTS: The limited common elements are those portions of the common elements which are reserved for the exclusive use of those persons who are entitled to the use of the units to which such limited common elements are assigned. The limited common elements shall be assigned as follows:

(a) All portions of the common elements on which there is located any portion of the heating and air conditioning system serving a particular unit or units shall be limited common elements, reserved for the exclusive use of those persons who are entitled to use the unit or units which is or are served by such heating and air conditioning systems.

8. ADDITIONAL LIMITED COMMON ELEMENTS: No portion of the common elements located on the property may be subsequently assigned as a limited common element, without the consent of the Owners of two-thirds (2/3rds) of the units.

9. ALLOCATION OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS: Each unit shall be allocated an equal undivided interest in the common elements.

10. ALLOCATION OF VOTES IN THE ASSOCIATIONS: Each unit shall be allocated an equal vote in the Association.

11. ALLOCATION OF LIABILITY FOR COMMON EXPENSES: Each unit shall be allocated an equal share of the liability for common expenses.

12. POWERS OF THE ASSOCIATION AND BOARD OF DIRECTORS: The powers of the Association and Board of Directors shall be as set forth, and shall be subject to the limitations and restrictions set forth in the Act, the Georgia Non-Profit Corporation Act, this Declaration, the Articles of Incorporation and the Bylaws of the Association.

13. PREPARER OF DECLARATION: The name and address of the

attorney who prepared this Declaration is Russell T. Quarterman, Scott and Quarterman, 347 West Hancock Avenue, P. O. Box 1232, Athens, Clarke County, Georgia.

14. RESTRICTIONS: For the purpose of assuring the maximum enjoyment of the property by all of the residents thereof, the use of the property shall be only in accordance with the following provisions:

(a) Use: All units shall be restricted exclusively to business and office use. No unit or any limited common element, of any portion thereof, shall at any time be used for any residential purpose. The Declarant may conduct sales and promotional activities on the property with respect to units owned by it and may maintain such units as model units; and provided further, that nothing contained in this Declaration shall be construed as prohibiting the use of units for rental purposes. The common elements shall be used exclusively for the decorative, convenience and service purposes for which they are intended.

(b) Parking: Only passenger automobiles or a pick-up truck of a load bearing capacity of no more than one ton in operating condition with a then current effective liability insurance, license tag and operating sticker may be parked upon or in parking areas and spaces. The Board of Directors may cause property stored or parked in violation of the provisions of this Paragraph (b) to be moved at the expense of the unit owner who parked or stored the same or whose lessee, family member, invitee, or lessee's family member or invitee parked or stored the same, or at the expense of the unit owner on whose behalf the same is parked or stored, or who caused or permitted such parking or storage. The cost of removal and further storage shall be assessed against the unit owner liable for such cost hereunder, provided, however, that Declarant and its agents may park such trucks, vehicles or equipment in the parking area or common elements as are necessary to complete construction or provide maintenance to any unit, common element or limited common element.

Boats, trailers, trucks, motorcycles, mini-bikes, recreational vehicles or non-automobiles may be parked only in parking areas set

aside by the Board of Directors for such purposes. These restrictions on recreational vehicles or non-automobiles may be enforced by removal and storage in the same manner as for passenger automobiles, including the right of the Association to charge a fee for such removal and storage.

(c) Motorcycles, Motorscooters, Go-Carts: Go-Carts are prohibited from use on any part of the Property. Motorcycles (including motor bikes or minibikes), motor scooters, and similar vehicles may be used only on the streets and the paved common elements, and then only for transportation to a unit and to leave the property, and not for recreation in itself or for joy riding.

(d) Prohibited Activities: No noxious or offensive activity shall be carried on in any unit, or upon any limited common element or common element. Each unit owner, his employees, lessees, invitees and guests, shall refrain from any act or use of his unit or limited common elements or common elements, which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to any other occupant or occupants of the property.

(e) Nuisances: No rubbish or debris of any kind shall be dumped, placed, or permitted to accumulate upon any portion of the property so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to the other occupants of the property. No nuisance shall be permitted to exist or operate upon any portion of the property. Without limiting the generality of any of the foregoing, no exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on the property, or any portion thereof.

(f) Compliance by Unit Owners and Lessees: Each unit owner shall cause his lessee, or his sublessee, to comply with all of the restrictions set forth in this Articles 14, and such other reasonable rules and regulations concerning the use of the property as may be made and amended from time to time by the Board of Directors pursuant to Article 23 of this Declaration, notwithstanding the fact that such lessee or said lessee's sublessee are fully liable for any violation of such restrictions,

rules and regulations. All agreements by which a unit is leased shall provide that the terms of such lease shall be subject in all respects to all of the terms and provisions of the Declaration and the Bylaw's and that any failure by the lessee to comply with the terms of such documents shall be a default under such lease agreements.

(g) Leasing of Units: Units may be leased by unit owners subject to the covenants and restrictions of this Declaration, including without limitation Article 14(f) hereof, and subject to any part of the rules and regulations governing leasing established by the Board of Directors. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing. This Article 14(g) and any part of the rules and regulations relating to the leasing of units established by the Board of Directors shall not apply to any lease or leases which may be entered into by the Declarant; provided, however, the occupancy of any unit by any lessee of the Declarant shall be otherwise subject to the provisions of this Declaration.

(h) Sale by Mortgagee: Should the holder of a first lien mortgage on any unit become the fee simple owner of such unit through foreclosure or any other means pursuant to the satisfaction (in whole or in part) of the indebtedness secured by such mortgage or desire to sell under the power of sale contained in its mortgage, the sale of such fee simple interest or any lease or disposition of any interest in the unit by such mortgagee pursuant to the satisfaction (in whole or in part) of the indebtedness secured thereby may be accomplished without regard to the restrictions contained in this Article 14; provided, however, that the purchaser or lessee of such unit from such mortgagee shall take title to such unit subject to all of the provisions of this Article 14, this Declaration and the Act.

15. REPAIR AND MAINTENANCE: The repair and maintenance of the property shall be in accordance with the following terms and

conditions:

(a) Units: Each unit owner shall be responsible for the maintenance, repair, renovation, restoration, and replacement of all portions of his unit, including, without limitation, the heating, air conditioning and interior electrical and plumbing systems and exterior doors, glass surfaces, and window screens serving his unit. In additions, each unit owner shall be responsible for the maintenance, repair and replacement of any exterior lights serving his unit. All such maintenance, repair, renovation, restoration and replacement work shall be performed by each unit owner in such a manner so as to cause as little disturbance to the owners or tenants of the other units as is reasonably possible. Notwithstanding the foregoing, however, no unit owner shall allow his unit to remain in a state of disrepair. If a unit owner allows his unit to remain in a state of disrepair for a period of thirty (30) days after receipt of written notice to repair from the Association, the Association shall be entitled to correct said state of disrepair and specially assess the unit owner for the cost thereof.

(b) Limited Common Elements: Each unit owner shall be responsible for the maintenance, repair, renovation, restoration and replacement of all of the limited common elements assigned to his unit. All such maintenance, repair, renovation, restoration and replacement work to be performed by the owner thereof in such a manner so as to cause as little disturbance to the occupants or tenants of the other units as is reasonably possible.

(c) Common Elements: The Association shall be responsible for the maintenance, repair, renovations, restoration and replacement of the common elements, except for the limited common elements for which the unit owners shall be responsible, as provided by Paragraph 15(b) above. In performing such responsibility, the Association shall do the following:

1. Provide exterior maintenance upon all buildings containing units, including painting, repairing, replacing and caring for roofs, gutters, downspouts, and exterior walls and surfaces (except for exterior doors and glass surfaces, for which

the individual unit owners shall be responsible), landscape maintenance and the parking area maintenance.

2. Repair, replace and maintain all utility lines, pipes, wires and conduits serving the units (except for those forming a part of the heating and air conditioning and interior electrical and plumbing systems, for which the individual owners shall be responsible).

(d) Prohibited Changes: No unit owner shall paint or otherwise change the exterior appearance of his unit, or of any other portion of the property, including any of the limited common areas assigned to his unit, without having first obtained the written consent of the Board of Directors. Additionally, the design, type, location, size, intensity and color or all exterior lights (including both those mounted as part of the original design of the property and those mounted with the consent of the Board of Directors) shall be subject to the control of the Board of Directors.

(e) Maintenance Required by Unit Owners: In the event the Board of Directors shall determine that the need for maintenance or repairs by the Association as provided in Paragraph 15(c) above is caused through the willful or negligent act of a unit owner, his lessee, or their sublessees, assignees, guests or invitees, and not paid for by insurance, the cost of performing such maintenance or repair shall be added to and become a part of the assessments to which such unit owner is subject.

16. PLAT AND PLANS: The survey of the property is being filed simultaneously with this Declaration in Condominium Plat Book 1, page 249, Clarke County, Georgia Records, and said survey is by reference incorporated herein.

Plans for the building which contains the two units located on the property, conforming to the requirements set forth for the same in the Act, are being filed simultaneously with this Declaration in the Office of the Clerk of Superior Court of Clarke County, Georgia, the same being File No.: 154

17. CONTROL BY DECLARANT: Notwithstanding anything contained elsewhere in this Declaration, or in the Articles of Incorporation

or Bylaws, which may be construed to the contrary, the Declarant shall be authorized to appoint and remove any member or members of the Board of Directors and officer or officers of the Association. The Declarant's authority to so appoint and remove members of the Board of Directors and officers of the Association shall expire upon the first of the following to occur:

(a) upon the conveyance of at least fifty (50%) percent undivided interest in the common elements;

(b) the surrender by the Declarant of the authority to appoint and remove members of the Board of Directors and officers of the Association by an express amendment to this Declaration executed and recorded by the Declarant.

18. ASSESSMENTS: Assessments against the unit owners shall be made to raise funds to pay the common expenses of the property, and shall be governed by the following provisions:

(a) Liability: Each unit owner shall be liable to the Association for all sums as are lawfully assessed by the Association against him or his unit or units in accordance with the terms and provisions of this Declaration and the Articles of Incorporation and Bylaws. In addition to exercising the remedies provided for in Paragraph 18(g) below, the Association may enforce such liability by an action at law to recover all amounts assessed against each unit owner in accordance with the provisions of this Article 18.

(b) Purpose: Assessments shall be levied against the unit owners and the units to defray the common expenses of the property. The common expenses of the property shall be all of the expenditures which are made or incurred by or on behalf of the Association in connection with the exercise of its powers and responsibilities, and shall include the following:

(i) Common utility bills and charges for other common services;

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

(iii) the expenses of performing the maintenance, repair, renovation, restoration and replacement work which is the

responsibility of the Association under Article 15 hereof;

(iv) such other costs and expenses as may be determined from time to time by the Board of Directors to be common expenses; and

(v) the creation and maintenance of such reserve funds as are required to be maintained by the Association under Paragraph 18(c) below, and such other reserve funds as the Board of Directors shall determine.

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

(d) Special Assessments: If for any reason, including nonpayment of any unit owner's assessments, an annual budget adopted by the Board of Directors for any fiscal year proves inadequate to defray the common expenses for such fiscal year, the Board of Directors may, at any time, levy a special assessment to raise the additional funds necessary to defray such common

expenses, which special assessment shall be due and payable at such time and in such installments as the Board of Directors shall determine. Additionally, the Board of Directors shall be authorized to levy special assessments under the circumstances described in Paragraph 22(e)(1) of this Declaration.

(e) Equal Assessment: Except as provided for differently in Paragraph 15(e) of this Declaration, no expenses associated with the maintenance, repair, renovation, restoration, or replacement of any limited common element shall be specially assessed against the unit or units to which such limited common element is assigned.

(f) Special Assessments for Capital Improvements: In addition to the assessments which shall be levied against the unit owners under Paragraphs 18(b) and (d) above, the Board of Directors shall be authorized, upon the affirmative vote the owners of the units to which three-fourths (3/4ths) of the undivided interest in the common elements is allocated, to levy a special assessment for the purpose of defraying, in whole or in part, the costs of any capital improvements to be made upon the common elements, or for the costs of making repairs or replacements which are not provided for in the then current budget of the Association. Any such special assessments for capital improvements and repairs shall be payable at such time and in such installments as the Board of Directors shall determine.

(g) Collection: In addition to all other remedies provided by law, the Association may enforce collection of the assessments for which a unit owner is liable, together with all other amounts as may be owned by such unit owner to the Association, as hereinafter provided.

(i) In the event that any unit owner shall fail to pay any installments of any assessment levied against him within ten (10) days after such installment shall be due and payable, the entire unpaid balance of such assessment for the remainder of the fiscal year may, at the option of the Board of Directors, be accelerated and be declared immediately due and payable in full, without notice to such unit owner.

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

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

(b) interest on the amount so due, and the aforesaid late charge appertaining thereto, from the date the same were due and payable, at the rate of twelve (12%) percent per annum, until paid;

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

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

(3) The lien for assessments in favor of the Association provided by Section 41 of the Act shall include all sums as may become payable by a unit owner to the Association pursuant to Paragraph 18(g)(i) and (g)(ii) above.

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

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

to Section 41(d) of the Act.

19. COMMON PROFITS: Any surplus remaining after the application of the common profits to the payment of the common expenses shall be either distributed to, or credited against the next assessments chargeable to, the unit owners, as the Board of Directors shall determine.

20. COMPLIANCE WITH CONDOMINIUM INSTRUMENTS: Every unit owner and all of those persons entitle to occupy a unit shall comply with all of the provisions of this Declaration, the Articles of Incorporation, the Bylaws, and all rules and regulations which shall be adopted by the Board of Directors in regard to the property. In the event of any breach or violation of any such provisions, the Association shall have the right to proceed at law or in equity to compel compliance therewith. In the event any unit owner shall permit or suffer to exist any condition in his unit or in the limited common elements assigned to his unit which is in violation of any of the foregoing provisions, the Association shall have the right to enter upon such unit or limited common element and remove the thing or condition causing such violation, and the unit owner who permitted or caused such violation to exist shall be fully liable to the Association for all costs and expenses it shall incur in connection therewith. All such costs and expenses shall be paid to the Association promptly upon demand. In no event shall the Association or its agents have any liability for so entering upon any portion of the property and removing such thing or condition. In the event the Association shall employ legal counsel to enforce any of the foregoing, the unit owner permitting or suffering such condition to exist shall pay all reasonable attorneys fees so incurred by the Association.

In addition to the foregoing remedies of the Association, the Board of Directors shall have the power to impose and assess fines against any unit owner who permits or suffers any condition to exist in violation of any of the foregoing provisions. All such fines shall be in an amount determined by the Board of Directors; provided, however, that no such fine shall exceed the sum of \$25.00 for any one violation, but each day a violation is continued or

endorsement which shall preclude the insurer from denying the claim of a unit owner because of the negligent acts of the Association or other unit owners. Such liability insurance policy shall cover the Association, the Board of Directors, the officers of the Association, all agents and employees of the Association, and all unit owners and other persons entitled to occupy any unit or other portion of the property, shall be for at least \$500,000.00 for injury including death to a single person, \$1,000,000.00 for injury or injuries, including death, arising out of a single occurrence and \$50,000.00 for property damage, with cross liability endorsement to cover the unit owners as a group and shall include protection against water damage liability, and liability for property of others.

(iii) A policy of fidelity coverage against dishonest acts on the part of the members of the Board of Directors, the manager of the Condominium, and any employees or volunteers of the Association responsible for handling funds belonging to or administered by the Association. Said policy of fidelity coverage insurance shall name the Association as the named insured and shall be written in an amount which shall in no event be less than one and one-half times the Association's estimated annual common expenses and reserves.

(iv) Such other insurance policies as the Board of Directors shall deem desirable for the benefit of the Association and the unit owners.

(b) Minimum Qualifications of Insurance Carriers: Each policy of insurance which the Association is required to maintain under the provisions of Paragraph 21(a) shall be written by a hazard insurance carrier which has a financial rating by Best's Insurance Reports of Class A:VI or better and which is licensed to transact business within the State of Georgia.

(c) Minimum Qualifications of Insurance Policies: All policies of insurance which the Association is required to maintain under the provisions of Paragraph 21(a) shall (a) not allow contributions or assessments to be made against the owner of any unit, or the holder of any mortgage upon any unit, (b) not allow

repeated after the Board of Directors shall give the unit owner responsible for such violation a written notice of the same shall be considered a separate violation. No delay, failure or admission on the part of the Association in exercising any right, power or remedy herein provided shall be deemed a waiver of the right to do so thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. In no event shall the Board of Directors, or any of its agents, be liable to anyone whomsoever on account of any failure to bring any action on account of any violation or breach by any unit owner of any of the foregoing provisions.

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

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

(i) a multi-peril casualty insurance policy covering the entire property, providing as a minimum for and extended coverage, vandalism and malicious mischief, on a replacement cost basis in an amount not less than one hundred (100%) percent of the full replacement cost of all structures within the Condominium. The name of the insured under such casualty insurance policy shall be stated as follows: "Woodcliff Office Condominium for use and benefit of the individual unit owners of the Woodcliff Office Condominiums, Clarke County, Georgia". The amount of coverage of such casualty insurance policy shall be readjusted by reappraisal or revaluation of the insured property not less frequently than once every two (2) years. Such casualty insurance policy shall contain the standard mortgages clause which shall be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of mortgagees as their interest may appear.

(ii) A comprehensive policy of public liability insurance covering all of the common elements. Such liability insurance policy shall contain a "severability of interest"

loss payments to be contingent upon any action by the insurance carrier's board of directors, policyholder's or members (c) not include any limiting clauses (other than insurance conditions) which could prevent any unit owner or the holder of any mortgage upon any unit from collecting insurance proceeds, and (d) contain or have attached a mortgage clause which provides that the insurance carrier shall notify in writing all holders of first lien mortgages on any of the units at least ten (10) days in advance of the effective date of any reduction in or cancellation of such policies.

(d) Unit Owner's Policies: The unit owners may carry at their own initiative and expense the following insurance policies:

(i) a building additions, betterments, and alterations endorsement to the master casualty insurance policy described in Paragraph 21(a) hereof for the exclusive benefit of the particular unit owner, such unit owner to be liable for (and the Association to be in no way liable for) the premium for such endorsement; and

(ii) a "Tenant's or condominium owner's policy" covering the contents of his unit, personal injury and property damage liability, burglary and the like.

In no event shall any recovery or payment under the insurance coverage obtained and maintained by the Association be affected or diminished by insurance purchased by individual unit owners or mortgagees, and no unit owner shall be entitled to exercise his right to maintain the additional insurance coverage set forth in this Paragraph 21(d) in such a way as to decrease the amount which the Association may realize under any insurance policy which it may have in force on the property at any particular time.

(e) Proceeds on Account of Damage to Common Elements: Insurance proceeds which shall be paid on account of damages to or destruction of any portion of the common elements which does not exclusively serve any unit or units shall be held by the Association in a construction fund, which shall be used for the purpose of repairing, reconstructing or rebuilding the portion of

such common elements so damaged or destroyed, as provided in Paragraph 22(a)(1) of this Declaration. If it shall be determined in accordance with the provisions of Paragraph 22(b) of this Declaration not to repair, reconstruct or rebuild the portion of the common elements so damaged or destroyed, then the insurance proceeds paid on account of the occurrence of such damage or destruction to such portion of common elements shall first be used to clean up and landscape the common elements as necessary in view of the fact that such portion of the common elements is not to be repaired, reconstructed or rebuilt, and the remaining insurance proceeds shall be disbursed to the unit owners in proportion to their undivided interest in the common elements, such disbursement to be made payable jointly to the unit owners and their mortgagees. Notwithstanding anything contained in this Declaration, the Articles of Incorporation, the Bylaws, or the Act which may be construed to the contrary, in no event shall any insurance proceeds paid to the Association on account of the occurrence of any fire or other casualty be deemed to be common profits.

(f) Proceeds on Account of Damage to Units and Common Elements Exclusively Serving Units. In the event that any insurance proceed shall be paid to the Association on account of any damage to or destruction of any unit or units and/or any portion of the common elements exclusively serving such unit or units, the Association shall be deemed to hold such insurance proceeds in a series of separate accounts, one such account for each unit which is so damaged or destroyed, or the common elements exclusively serving which units are so damaged or destroyed. The amount of insurance proceeds which shall be deemed to be held by the Association in each such account shall be determined by multiplying the entire amount of insurance proceeds which shall be received by the Association as a consequence of the damage or destruction to such unit or units and/or the common elements exclusively serving such unit or units by a fraction, the numerator of which shall be the total estimated cost of repairing, reconstruction, or rebuilding the unit, and the common elements exclusively serving the unit, on behalf of which such account is

credited, and the denominator of which shall be the total estimated cost of repairing, reconstruction, or rebuilding all of the units and common elements as a consequence of the damage to or destruction to which such insurance proceeds were paid. If it shall be determined in accordance with the provisions of Paragraph 22(c) of this Declaration not to repair, reconstruct or rebuild any unit which is so damaged or destroyed, then the amount of insurance proceeds which shall be held by the Association in the account for such unit shall be disbursed to the owner of such unit, such disbursement to be made jointly to the unit owner and his mortgagee. Such disbursement, however, shall be made only after the Board of Directors shall have entered into a financial arrangement satisfactory to the Board of Directors whereby such unit owner shall pay for the cost of cleaning up and landscaping the property on which such unit was located. Notwithstanding anything contained in this Declaration, the Articles of Incorporation or Bylaws of the Association which may be construed to the contrary, in no event shall any amounts as shall be held by the Association or the account of any unit owner pursuant to the provisions of this Paragraph 21(f) be deemed to be common profits.

For purposes of Paragraph 21(e) and Paragraph 21(f), common elements shall be deemed to exclusively serve a particular unit only if they constitute all or a portion of the walls, roofs or a foundation enclosing such unit.

22. DAMAGES OR DESTRUCTION OF PROPERTY: Repair, reconstruction or rebuilding of the property following damage to or destruction of all or any portion of the property shall be governed by the following provisions:

(a) Estimates of the Cost of Repairs: As soon as practicable following the occurrence of any damage to or destruction of any portion of the property, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing or restoring such portion of the property so damaged or destroyed to substantially the same condition as such portion of the property was in prior to the occurrence of such damage or destruction, and shall proceed with the filing and adjustment of

all claims arising under the insurance maintained by the Association as a result of such damage or destruction.

(b) Determination to Repair, Reconstruct or Rebuilding Common Elements: Any damage to or destruction of the common elements will be repaired, reconstructed or rebuilt unless the owners of the units to which seventy-five (75%) percent of the votes in the Association are allocated shall determine, within forty-five (45) days after the occurrence of the casualty, not to repair, reconstruct or rebuild the same.

(c) Determination to Repair, Reconstruct or Rebuild Units: The determination to repair, reconstruct or rebuild any unit which is damaged or destroyed by fire or any other casualty shall be made in the following manner:

(i) any unit which is damaged, but not rendered untenable, shall be repaired in all events.

(ii) in the event that any unit is so damaged or destroyed that such unit is thereby rendered untenable, such unit shall be repaired, reconstructed or rebuilt unless, within forty-five (45) days after the occurrence of such casualty, (a) the owners of the unit which is so rendered untenable, together with (b) the owners of the units to which sixty-seven (67%) percent of the remaining votes in the Association (not including the vote of the owner of the unit which has been rendered untenable by such casualty), and (c) the holders of sixty-seven (67%) percent of the first mortgages on the units within the Condominium (including the holder of any first mortgage on the unit which has been so rendered untenable) shall all determine not to repair, reconstruct or rebuild such unit so rendered untenable.

(iii) for purposes of this Paragraph 22(c), a unit shall be deemed to be untenable only if as a consequence of this occurrence of a fire or other casualty, such unit is not fit for present occupancy, and if the estimated costs of making repairs necessary to render such fit for present occupancy shall exceed one-half (1/2) of the fair market value of such unit prior to the occurrence of such casualty.

(d) Manner of Repair, Reconstruction or Rebuilding: All

repairs, reconstruction, or rebuilding to be made as a result of damage by fire or other casualty shall be made in accordance with the following provisions:

(i) Common Elements: The damage shall be repaired, reconstructed or rebuilt substantially in accordance with the plans and specification for such damaged property prior to the occurrence of such damage.

(ii) Units: If the damage to be repaired, reconstructed or rebuilt is to any unit, such repair, reconstruction or rebuilding shall be substantially in accordance with the plans and specifications for such damaged unit prior to the occurrence of such damage.

(iii) All of the work of repairing, reconstruction or rebuilding any portion of the property, the damage to or destruction of which caused the payment of insurance benefits under insurance policies maintained by the Association, shall be performed under the supervision of the Board of Directors, which, in discharging such supervisory responsibilities, shall be authorized to employ such building supervisors and architects as the Board of Directors shall deem to be in the best interest of the Association. The fees which shall be payable to any such building supervisor or architect employed by the Board of Directors shall be a common expense of the Association.

(e) Costs of Repair, Reconstruction or Rebuilding:

(i) Common Elements: The cost of repairing, reconstruction or rebuilding any portion of the common elements which shall be damaged or destroyed and which does not exclusively serve any unit or units shall be paid with any insurance proceeds which shall be paid to the Association on account of such damage or destruction. If such insurance proceeds are not sufficient to defray such costs of repair, reconstruction or rebuilding, then the Board of Directors shall levy a special assessment against all of the unit owners and units to raise the excess funds necessary to defray such costs.

(ii) Units and Common Elements Exclusively Serving Units: The cost of repairing, reconstructing or rebuilding each

unit which shall be damaged or destroyed, and any portion of the common elements exclusively serving such unit which shall be damaged or destroyed, shall be paid with the insurance proceeds which shall be paid to the Association on account of such damage or destruction and held by the Association on account for such unit, as provided in Paragraph 21(f) of this Declaration. If the amounts which are held by the Association in the account for such unit are not sufficient to defray such costs of repair, reconstruction or rebuilding, then the Board of Directors shall levy a special assessment against the owner of the unit on behalf of which such account was created to raise the excess funds necessary to defray such costs.

For the purposes of this Paragraph 22(e), common elements shall be deemed to exclusively serve a particular unit only if they constitute all or a portion of the walls, roofs or a foundation enclosing such unit.

23. RULES AND REGULATIONS: The Board of Directors shall have the power and authority to adopt, make and amend reasonable rules and regulations in regard to the use of the units, limited common elements, and common elements. Copies of all such rules and regulations, and all amendments thereto, shall be furnished to all of the unit owners, upon request.

24. EASEMENTS: The following easements shall be applicable to the property:

(a) Encroachments: To the extent that any unit or common element encroaches on any other unit or any part of the common elements, whether by reason of any deviation from the survey or the plans in the construction, repair, renovation, restoration or rebuilding of any improvement, or by reason of any overhang or the settling or shifting of any land or improvement, a valid easement for said encroachment and for the maintenance of same, so long as it stands, shall exist.

(b) Utility and Other Easements: The Association and the Board of Directors shall have the irrevocable power as attorney-in-fact on behalf of all unit owners and their successors-in-title to accept easements benefiting the Condominium or any

portion thereof and to grant easements benefiting the property, or any portion thereof, whether or not a part of the Condominium upon, across, over and under all of the property for ingress, egress, installation, replacing, and maintaining all utilities including, but not limited to, water, power, telephones, gas electricity, cable television and a master television antenna system. Such easements may grant to appropriate utility companies the right to erect and maintain the necessary poles and other necessary equipment on the property and to affix and maintain utility wires, circuits and conduits on, above, across and under the common elements, the units or the roofs and exterior walls of the residual dwellings or other improvements comprising part of any unit.

(c) Access to Units and Common Elements: Each unit owner shall afford to the other unit owners and to the Association, and to any directors, officers, agents or employee of either, such access through his unit and any limited common elements appurtenant thereto as may be responsibly necessary to enable them to exercise and discharge their respective powers and responsibilities. To the extent that damage is inflicted on the common elements, including without limitation any limited common elements, or any unit through which access is taken, the Association or the unit owner occasioning such damage, whether by itself or through agents, employees or others, shall be liable for the prompt repair thereof. There is hereby (i) reserved in the Declarant, (ii) granted to all policemen, firemen, ambulance personnel and all similar emergency personnel, as easement to enter upon the property or any part thereof in the proper performance of their respective duties. During the period that Declarant owns any unit or owns any interest in the property or any portion thereof, the Declarant shall have a transferable easement on, over, through, under and across the common elements for the purpose of making improvements contemplated by the condominium instruments on the property, or any portion thereof, for the purpose of installing, replacing, repairing and maintaining all utilities serving the property or any portion thereof, and for the purpose of doing all things reasonably necessary and proper in connection therewith. There is further

reserved in the Declarant, and its successor-in-title a perpetual easement for the benefit of the property for ingress and egress over and across any road or drive which may now or hereafter be located on the property.

25. CONTRACTS WITH DECLARANT: The term of any agreement as may be entered into between the Association and the Declarant which provides for professional management of the Condominium or pursuant to which the Declarant is to provide any other services to the Condominium, shall in no event exceed three (3) years. In addition, any such agreement shall be terminable by either party thereto without cause and without payment of a termination fee on no more than ninety (90) days written notice.

26. SEVERABILITY: The invalidity or unenforceability of any covenant, restriction or other provision of this Declaration shall not affect the validity or enforceability of any other covenant, restriction or provision of the Declaration.

27. CAPTIONS: The captions of all sections of this Declaration are inserted for convenience only and are not intended to define, limit, restrict, extend or modify any of the provisions of the sections to which such captions relate.

28. MORTGAGEE'S RIGHTS: Notwithstanding any of the provisions of this Declaration or the Article of Incorporation or Bylaws of the Association, the following provisions are hereby adopted for the protection of the mortgagees of units within the condominium project, and to the extent they conflict with any of the provisions in the Declaration, the Articles of Incorporation or Bylaws of the Association, the following shall control:

(a) The Association shall not take the following actions without the prior written approval of unit owners to which 80% of the votes in the Association appertain and all mortgagees of such units.

(i) Seek to abandon or terminate the condominium project by act or omission.

(ii) Change the prorata interest or obligations of any individual unit for the purpose of (a) levying assessments or charges or allocating distributions of hazard insurance proceeds

or condemnations awards, or (b) determining the prorata share of ownership of each unit in the common elements.

(iii) Partition or subdivide any unit.

(iv) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements (other than the granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements).

(v) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) or other than the repair, replacement or reconstruction in the event of substantial loss to the units and/or common elements (in the event the determination is made to so repair, reconstruct or rebuild in accordance with Paragraph 22(b) and (c)).

(b) Any first mortgagee who obtains title to a unit pursuant to the remedies provided in the mortgage, by taking deed in lieu of foreclosure, or foreclosure of the mortgage on a unit shall not be liable for the unpaid dues or charges attributable to such unit which have accrued prior to the acquisition to title of such unit by the first mortgagee.

(c) Nothing in the Declaration, nor any provision of the Articles of Incorporation or Bylaws of the Association shall entitle a unit owner, Declarant, or any other party, to priority over any right of the first mortgagees of units with regard to a distribution to unit owners of insurance proceeds or condemnation awards for losses to or the taking of units or common element.

(d) The Association shall give written notice to any first mortgagees of individual units of any loss to, or taking, of the common elements if such loss or taking exceed \$10,000.00 or damage to a unit covered by a mortgagee exceeds \$1,000.00.

(e) Any first mortgagee of individual units shall have the right to examine the books and records of the Association.

(f) Any holder of a first lien mortgage upon any unit, upon its request, shall be entitled to a written notice from the Board of Directors of any default in the performance by the owner of the unit upon which such mortgagee holds such first lien

mortgage of any obligation under this Declaration, thy Bylaws or the Condominium instruments which is not cured within sixty (60) days.

IN WITNESS WHEREOF, each has set his hand and affixed his seal this 10th day of December, 1991.

William J. Hardin
Declarant

[Signature]
Declarant

Signed, sealed and delivered
in the presence of:

Karen H. Myers
Witness

Vangie C. Williams
Notary Public my comm exp 5-14-94
NOTARY PUBLIC
CLARKE COUNTY, GEORGIA

CLERK'S OFFICE, SUPERIOR COURT OF
ATHENS - CLARKE COUNTY, GEORGIA
FILED FOR RECORD AT 11:55 M
RECORDED 12-1-91 IS 91
BOOK 1155 PAGE 125
[Signature] CLERK

BEGINNING at an iron pin located on the westerly right of way of Ben Burton Circle 560.0 feet northerly of the intersection of the westerly right of way of Ben Burton Road as measured along the northerly right of way of Ben Burton Circle; running thence south 86 degrees 53 minutes 17 seconds west 407.09 feet to a point in the center of a Creek located on the westerly boundary line of the subject property; running thence along the center line of said Creek the following approximate distances and courses: north 7 degrees 58 minutes 36 seconds east 53.56 feet, north 45 degrees 15 minutes 55 seconds east 106.00 feet, north 17 degrees 18 minutes 07 seconds east 58.05 feet, north 5 degrees 18 minutes 17 seconds east 68.11 feet, north 62 degrees 34 minutes 11 seconds east 22.07 feet, north 6 degrees 57 minutes 20 seconds west 46.14 to a point in the centerline of said Creek; running thence north 86 degrees 51 minutes 40 seconds east 7.25 feet to an iron pin; running thence north 86 degrees 51 minutes 40 seconds east 263.08 feet to an iron pin located on the westerly right of way of Ben Burton Circle; running thence along the westerly right of way of Ben Burton Circle south 3 degrees 06 minutes 44 seconds east 300 feet to the beginning Iron pin.

EXHIBIT A

All that tract or parcel of land, lying and being situated in the 241st District, O.M., Athens-Clarke County, Georgia, and being more particularly described as follows: