

BY-LAWS OF
WREN'S CROSS OF ATLANTA CONDOMINIUM ASSOCIATION, INC.

HYATT & RHOADS
2200 Peachtree Center Harris Tower
Atlanta, Georgia 30303
(404) 659-6600

BOOK 3748 PAGE 345

BY-LAWS
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BY LAWS OF
WREN'S CROSS OF ATLANTA CONDOMINIUM ASSOCIATION, INC.

Article I

General

Section 1. Applicability. These By-Laws provide for the self government of the Wren's Cross of Atlanta Condominium Association, Inc., in accordance with the Articles of Incorporation and the Declaration of The Wren's Cross of Atlanta Condominium Association, Inc. recorded in Deed Book _____, Page _____, DeKalb County Records.

Section 2. Name. The name of the corporation is Wren's Cross of Atlanta Condominium Association, Inc., hereinafter referred to as the Association.

Section 3. Membership. An owner of a unit shall automatically become a member of the Association upon taking title of ownership; as may be more fully provided below, a spouse of a member may exercise the powers and privileges of the member. If title to a unit be held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one membership and one vote per unit. Membership does not include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the owner's membership. Membership shall be appurtenant to the unit to which it appertains and shall be transferred automatically by conveyance of that unit and may be transferred only in connection with the transfer of title.

Section 4. Voting. Each unit shall be entitled to one vote which may be cast by the owner, the owner's spouse, or by a lawful proxy as provided below. When more than one person owns a unit, the vote for such unit shall be exercised as they between or among themselves determine, but in no event shall more than one vote be cast with respect to any unit. In the event of disagreement among such persons and an attempt by two or more of them to cast such vote or votes such persons shall not be recognized and such vote or votes shall not be counted. No owner shall be eligible to vote, either in person or by proxy, or be elected to the Board of Directors who is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association.

Section 5. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totalling more than fifty (50%)

percent of the total number of votes, owners, or other groups. Unless otherwise specifically stated, the words "majority vote" mean more than fifty (50%) percent of those voting in person or by proxy. Unless otherwise provided in the Declaration or these By-Laws, all decisions shall be by majority vote.

Section 6. Purpose. The Association shall have the responsibility of administering the condominium, establishing the means and methods of collecting the contributions to the common expenses, arranging for the management of the condominium and performing all of the other acts that may be required to be performed by the Association by the Georgia Condominium Act and the Declaration. Except as to those matters which either the Georgia Condominium Act, the Declaration, or the Georgia Non-Profit Corporation Code specifically required to be performed by the vote of the Association, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

ARTICLE II

Definitions

Unless the context otherwise requires, the terms as used in these By-Laws, the Declaration and the Articles of Incorporation shall have the following meanings:

Section 1. Act shall mean the Georgia Condominium Act, Ga. Laws 1975, No. 463; Ga. Code Ann. Section 85-1601E et. seq., as such act may be amended.

Section 2. Association shall mean the Wren's Cross of Atlanta Condominium Association, Inc. and its successors.

Section 3. Board or Board of Directors shall mean the governing body of the Associations.

Section 4. Common Elements or common areas shall mean the area and property submitted to be part of the condominium but not included within the boundaries of a unit as defined in Paragraph 4 of the Declaration.

Section 5. Condominium shall mean all that property submitted to the Act as described in the Original Declaration, as amended, and specifically incorporated in the Amended Declaration.

Section 6. Declaration shall mean that document filed of record in Book _____ at Page _____ et. seq., in the Office of the Clerk of the Superior Court of DeKalb County, Georgia for the purpose of submitting the condominium to the Act.

Section 7. Limited Common Elements shall mean that property set aside for limited use as described in Paragraph 4 of the Declaration.

Section 8. Mortgage shall refer to any mortgage, deed to secure debt, deed of trust or other transfer or conveyance for the purpose of securing the performance of an obligation, including but not limited to a transfer or conveyance for such purpose of fee title.

Section 9. Officer shall mean those individuals who are elected by the Board to serve as President, Vice President, Secretary, or Treasurer or such other subordinate offices as the Board may determine necessary.

Section 10. Owner shall mean the record title holder of a unit within the condominium, but shall not mean a mortgage holder.

Section 11. Person shall mean any individual, corporation, firm, association, partnership or other legal entity.

Section 12. Property unless the context should otherwise require, shall mean all those tracts or parcels of land and improvements thereon which at a given point in time have been submitted to the provisions of the Act by means of this Declaration or any duly authorized amendment hereof.

Section 13. Unit shall mean that portion of the condominium intended for individual ownership and use as described in the Declaration.

Article III

Meetings of Members

Section 1. Annual Meetings. The regular annual meeting of the members shall be held within the first fifteen (15) days of the month of December, in each year, on a day and at an hour set by the Board. Meetings shall be at the condominium or other suitable place set by the Board in DeKalb County, Georgia.

Section 2. Special Meetings. Special meetings of the members for any purpose may be called at any time by the President, the Secretary, or Treasurer, or by request of any two or more members of the Board of Directors, or upon written request of the members who have a right to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meetings. It shall be the duty of the Secretary to mail or to cause to be delivered to each

unit owner a notice of each annual or special meeting of the Association at least twenty-one (21) days prior to each annual meeting; and at least seven (7) days prior to each special meeting; stating the purpose of any special meeting as well as the time and place where it is to be held. If any owner wishes notice to be given at an address other than his or her unit, the owner shall have designated by notice in writing to the Secretary such other address; if no other address has been designated then the aforesaid notice shall be delivered at the address of the respective unit. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Upon request, any institutional holder of a first mortgage shall be entitled to written notice of all meetings and shall be permitted to designate a representative to attend and observe any such meeting.

Section 4. Waiver of Notice. Waiver of notice of meeting of the owners shall be deemed the equivalent of proper notice. Any owner may, in writing, waive notice of any meeting of the owners, either before or after such meeting. Attendance at a meeting by an owner, whether in person or by proxy, shall be deemed waiver by such owner of notice of the time, date and place thereof unless such owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 5. Quorum. Except as may be provided elsewhere, a quorum shall be deemed present throughout any meeting of the members of the Association until adjourned if persons entitled to cast more than one third of the votes are present. If the required quorum is not present at the meeting first called, a subsequent meeting may be held within 60 days following the first meeting upon notice as provided in these By-Laws, and one-fourth of the votes of the Association present in person or by proxy, shall constitute a quorum. If the required quorum is not present at the second meeting, a third meeting may be held and, after proper notice as provided for in these By-Laws one-fifth of the votes of the Association, present in person or by proxy, shall constitute a quorum.

Section 6. Adjournment. Any meeting of the owners may be adjourned from time to time for periods not exceeding forty-eight (48) hours by vote of the owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at an adjourned session, and no additional notice of such adjourned session shall be required.

Section 7. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary, or a member of the Board of Directors prior to the opening of the meeting for which it is to be used. Presence in person at the meeting for which a proxy is given shall automatically revoke the proxy.

Section 8. Consents. Any action which may be taken by a vote of the owners may be taken by written consent signed by all owners.

Article IV

Board of Directors

Part A. Composition and Selection.

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of at least three (3 but no more than 11) persons. The directors shall be owners of units or spouses of such owners; provided, however, that no owner and his or her spouse may serve on the Board at the same time.

Section 2. Term of Office. The directors shall be elected as provided in Section 7 of this Article. One half of the Board elected during the first operating year of the Association, or one half plus one, if the number of members is odd, shall be or was elected for terms of one year so that the terms of all directors shall not or will not expire in the same year and will be staggered. After the initial term of each director elected, each director will be elected for two year terms.

Section 3. Removal of Members of the Board of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the members and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason, including the addition of a new director or directors, other than the removal of a director by vote of the Association shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors for the remainder of

the term of the member being replaced until a successor shall be elected at the next annual meeting of the Association to fill the unexpired portion of the term.

Section 5. Compensation. Directors shall not be compensated unless and to the extent the members of the Association authorize at any meeting duly called for that purpose.

Section 6. Nomination. Nomination for election to the Board shall be made by a nominating committee which shall consist of three (3) members appointed by the President to serve from the close of one annual meeting to the close of the succeeding annual meeting. The nominating committee may nominate any number of qualified individuals, but no less than the number of directors to be elected. The nominations shall be made at least twenty-one (21) days prior to the annual meeting and a brief statement about the qualifications of each individual so nominated shall be included with the notice of the annual meeting. Nominations shall also be allowed from the floor at the meeting, and failure to comply otherwise with this Section shall in no way invalidate the election of directors so nominated.

Section 7. Elections. Election to the Board of Directors shall be by secret written ballot cast at the annual meeting. At such election the members or their proxies may cast, in respect to each vacancy, the votes of their respective units as provided in the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be allowed.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least ten (10) days after each annual meeting of members.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director given by mail, in person or by telephone, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Secretary, Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 10. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of

notice by him or her of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration or these By-Laws. A majority of directors shall constitute a quorum for the transaction of business.

Section 12. Action Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Part C. Powers and Duties.

Section 13. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the condominium and may do all such acts and things as are not by the Declaration, Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the members. The Board shall have the power to adopt such rules and regulations as it deems necessary and appropriate and to impose sanctions for violations thereof, including without limitation monetary fines.

Section 14. Management Agent. The Board of Directors may employ for the condominium a professional management agent or agents, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. Moreover, any management contract shall contain a termination clause permitting termination, for cause or without cause, upon thirty (30) days written notice.

Section 15. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of common areas and facilities without the approval of the members of the Association. The total amount of such borrowing shall not exceed Seven Thousand Five Hundred (\$7,500) Dollars outstanding debt at any one time unless approved by a majority of the total vote of the association. Without the

consent of a majority of the total vote of the Association, the Board shall not borrow money for the purpose of adding amenities to the condominium.

Part D. Committees.

Section 16. Nominating Committee. Pursuant to Section 6 of this Article IV, there shall be a nominating committee composed of three (3) members appointed in the manner and to perform the functions specified in Section 6 of this Article.

Section 17. Architectural Standards. The Board may establish an Architectural Standards Committee for the purpose of establishing and maintaining architectural standards on condominium property as hereinafter provided.

Section 18. Other Committees. There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize. Unless otherwise provided in the resolution creating the committee, the chairperson of each committee shall be a member of the Board.

Article V

Officers

Section 1. Designation. The principal officers of the Association shall be the President, Vice President, the Secretary, and the Treasurer, all of whom shall be elected by and from the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other subordinate officers as in its judgment may be necessary. Such subordinate officers shall not be required to be members of the Board of Directors. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one office.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors, at the first meeting of the Board following each annual meeting of the members, and shall hold office at the pleasure of the Board of Directors and until a successor is elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause and a successor may be elected.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at

all meetings of the Association and of the Board of Directors. The president shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code, including but not limited to the power to appoint committees from and among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall act in the President's absence and shall have all the powers, duties, and responsibilities provided for the President when so acting.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Georgia law.

Section 7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible, with the managing agent, for the preparation of the budget as provided below.

Section 8. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Article VI

Association Responsibilities

Section 1. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit or other proceeding (including settlement of any such action, suit or proceeding if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director

at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligence or otherwise, except for their own individual willful misfeasance or malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall as a common expense maintain adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation and the insurance shall be written as provided in Section 2 of this Article VI.

Section 2. Insurance. The Association shall obtain and maintain at all times as a common expense insurance as required by section 39 of the Georgia Condominium Act and as required herein, including a casualty insurance policy or policies affording fire and extended coverage for and in an amount consonant with the full replacement value of all structures within the condominium and a liability insurance policy or policies in amounts not less than \$500,000 for injury, including death, to a single person, \$1,000,000 for injury or injuries, including death, arising out of a single occurrence, and \$50,000 property damage, covering the Association, the Board of Directors, officers, and all agents and employees of the Association, and all unit owners and other persons entitled to occupy any unit or other portion of the condominium property. All such insurance coverage shall be written in the name of the Association as trustee for each of the owners. It shall be the duty of the Board of Directors annually to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association and to satisfy the requirements of this Declaration and Section 39 of the Act. Such insurance shall run to the benefit of the Association, the respective unit owners and their respective mortgagees, as their interests may appear. The improvements and betterments made by the individual owners shall be excluded from this required coverage, but each owner shall have the right to obtain additional coverage for such improvements, betterments, or personal property at his or her own expense. The "structure" as insured by the master policy shall be the building and units therein as depicted on the plats and plans filed and recorded in accordance with the Georgia Condominium Act.

(a) The Board of Directors shall utilize every reasonable effort to secure a master policy covering physical damage that will provide the following:

(1) That the insurer waives its rights of subrogation of any claims against directors, officers, the managing agent, the individual owners and their respective household members.

(2) That the master policy on the condominium cannot be cancelled, invalidated, or suspended on account of the conduct of any director, officer or employee of the Association or the managing agent without a prior demand in writing delivered to the Association and to all mortgagees of units to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured.

(3) That any "no other insurance" clause contained in the master policy shall expressly exclude individual unit owners' policies from its operation.

(4) That until the expiration of thirty (30) days after the insurer gives notice in writing to the mortgage of any unit, the mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the owner of such unit, the other unit owners, the Board of Directors, or any of their agents, employees, or household members, nor canceled for non-payment of premiums.

(5) That the master policy may not be canceled or substantially modified without at least thirty (30) days prior notice in writing to the Board of Directors and all mortgagees of units.

(6) An agreed value endorsement.

(7) That the deductible amount per occurrence shall not exceed One Thousand (\$1,000.00) Dollars.

All policies of insurance shall be written with a company licensed to do business in the State of Georgia and holding a rating of "AAA" or better by Best's Insurance Reports or the equivalent rating if available and the highest available rating if such rating is unavailable, and the company shall provide insurance certificates to each owner and each mortgagee.

In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual unit owners or their mortgagee.

Each unit owner shall notify the Board of Directors of all structural improvements made by the unit owner to his unit.

Any unit owner who obtains an individual insurance policy covering any portion of the condominium, other than improvements and betterments made by such owner at his expense and personal property belonging to such owner, shall file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. Such owner shall also promptly notify, in writing, the Board of Directors in the event such policy is cancelled.

All public liability and officers' and directors' liability insurance shall contain a cross liability endorsement.

(b) In addition to the insurance required herein above, the Board shall obtain as a common expense:

(1) Workmen's compensation insurance if and to the extent necessary to meet the requirements of law.

(2) Fidelity bonds covering officers, directors, employees and other persons who handle or are responsible for handling association funds. Such bonds shall be in an amount equal to at least one hundred fifty (150%) percent of the monthly operating expenses of the Association and shall contain waivers of any defense based upon the exclusion of persons serving without compensation.

(3) Such other insurance as the Board of Directors may determine to be necessary.

Insurance carried by the Association as a common expense shall not include any part of a unit neither depicted on the original plats and plans nor included in the original mortgage, nor shall the Association include public liability insurance for individual owners for liability arising within the unit.

Section 3. Repair and Reconstruction. In the event of damage to or destruction of all or any part of the condominium as a result of fire or other casualty, unless eighty (80%) percent of the unit owners vote not to proceed with the reconstruction and repair of the structure, the Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure in accordance with the original plats and plans. In the event of substantial damage or destruction, each institutional holder of a first mortgage shall be entitled to written notice of the

damage, and nothing in these documents shall be construed to afford a priority to any unit owner with respect to the distribution of proceeds to any such unit.

The procedure for repair and reconstruction shall be:

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to the condominium the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged unit) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair as determined by the Board of Directors, 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, assessments shall be made against all of the unit owners. 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 of Directors.

(c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the condominium was originally constructed.

(d) Encroachments. Encroachments upon or in favor of units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the unit owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

(e) Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against unit owners 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 Section.

(f) Method of Disbursement. The construction fund shall be paid by the Association in appropriate progress pay-

ments 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 of Directors.

(g) Insurance Deductibles. If maintenance is required as a result of an insured loss, the amount of the deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such repair in the absence of insurance. If the loss affects more than one unit or a unit and the common area, the cost of the deductible shall be apportioned equitably by the Board among the parties suffering loss in accordance with the total cost of repair.

Section 4. Architectural Standards. No owner, occupant, lessee or lessor, or any other person may make any exterior change, alteration or construction, nor erect, place, or post any sign, object, light, or thing on the exterior of the buildings or any other common element without first obtaining the written approval of the Board or its delegate. Application shall be in writing and shall provide such information as the Board may reasonably require. The Board or its delegate shall publish written architectural standards for exterior alterations or additions and any request in substantial compliance therewith shall be approved. In the event that the Board or its delegate fails to approve or to disapprove such application within sixty (60) days after it shall have been submitted, its approval will not be required and this Section 4(b) will be deemed complied with.

Section 5. Maintenance Responsibility.

(a) By the Owner. Each unit owner shall have the obligation to maintain and to keep in good repair all portions of the unit and all glass surfaces and all doors, doorways, frames, and hardware that is part of the entry system, and the air conditioning compressor servicing the unit. Additionally, the maintenance, upkeep, and repairs of any patio or planting area, excluding, however, all patio fences or walls, whether a part of the original construction or otherwise, shall be the sole responsibility of the owner of the unit to which such area is assigned and not the responsibility of the Association. All fixtures and equipment installed in any unit, commencing at a point where utility lines, pipes, wires or conduits enter through the exterior wall of a unit shall be maintained and kept in repair by the owner thereof.

(b) By the Association. The Association shall maintain and keep in good repair as a common expense all of the condominium property not required to be maintained and kept in good order by an owner. Except to the extent that insurance required to be maintained or maintained by the Association

covers any damage or loss, the Association shall not be responsible for any maintenance or repair to the interior of any unit. The Association shall be responsible for all exterior surfaces except those listed in Section 5 (a) of this Article VI whether or not included within the boundaries of a unit and shall also be responsible for the repair and repainting of limited common elements unless the defect is the result of the owner's own conduct. The Association shall be authorized to perform, after notice, any maintenance upon a unit for which a unit owner is responsible and to charge, as provided for assessments herein, the owner with the actual costs of maintenance.

Article VII

Assessments

Section 1. Purpose of Assessment. The assessments for common expenses herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the owners and occupants of units in the Condominium as may be more specifically authorized from time to time by the Board. Assessments may be used to compensate officers and directors only if approved by a majority vote of the Association.

Section 2. Creation of the Lien and Personal Obligation of Assessments. Each owner of any unit 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: (1) annual assessments or charges, and (2) special assessments, such assessments to be established and collected as hereinafter provided, and (3) specific assessments against any particular unit, which are established pursuant to the terms of these By-Laws. All such assessments, together with charges, interest, costs, and reasonable attorney's fees, in the maximum amount permitted by Section 41 of the Georgia Condominium Act, shall be a charge on the unit and shall be a continuing lien upon the unit against which each assessment is made. Such amounts shall also be the personal obligation of the person who was the owner of such unit at the time when the assessment fell due. Each owner shall be liable for his or her portion of each assessment coming due while he or she is the owner of a unit and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors; unless otherwise provided, the assessments shall be paid in monthly installments.

Section 3. Computation of Budget and Assessment.
It shall be the duty of the Board at least thirty (30) days

prior to the Association's annual meeting to prepare a budget covering the estimated costs of operating the condominium during the coming year. The Board shall cause the budget and the assessments to be levied against each unit for the following year to be delivered to each member at least fifteen (15) days prior to the meeting. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of a majority of those present at the meeting in person or by proxy. Notwithstanding the foregoing, however, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year.

Section 4. Special Assessments. If the assessment proves inadequate for any year, the Board may at any time levy a special assessment against all owners; provided, however, that prior to becoming effective, any special assessment shall be approved by the affirmative vote of two-thirds (2/3) of those present, in person or by proxy, at a special or annual meeting of the members, notice of which shall specify that purpose.

Section 5. Notice of Meetings. Written notice of any meeting called for the purpose of taking any action authorized under Section 2 or Section 4 of this Article VII shall be sent to all members not less than twenty-one (21) days in advance of the meeting. Upon written request of any institutional holder of a first mortgage, that holder shall be entitled to designate a representative to attend and observe the meeting.

Section 6. Lien for Assessments. The Association shall have full and complete lien rights as provided or permitted by Section 41, Georgia Condominium Act, and the lien shall specifically include the maximum costs, charges, fees, and rents set out in Section 41(b) of that Act.

Section 7. Capital Budget and Contribution. The Board of Directors shall annually prepare a capital budget which shall be for a minimum period of five years. The budget shall fully reflect the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The capital budget shall reflect the projected dollar amounts and timing of capital expenditures for the period of the budget. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The Capital contribution required shall be fixed by the Board and included within the budget and assessment as

provided in Section 3 of this Article. A copy of the capital budget shall be distributed to each member at the time of notice of any contribution.

Article VIII

Use Restrictions and Rule Making

Section 1. Authority and Enforcement. The condominium shall be used only for those uses and purposes set out in the Declaration. The Board of Directors shall have the authority to make and to enforce reasonable rules and regulations governing the conduct, use, and enjoyment of units and the common elements, provided that copies of all such rules and regulations be furnished to all owners. The Board shall have the power to impose reasonable monetary fines not to exceed \$25.00 for a violation or \$25.00 per day for a continuing violation which shall constitute a lien upon the property and to suspend an owner's right to use the common elements and to vote for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder.

Section 2. Additional Restrictions. In addition to any rules and regulations adopted pursuant to Section 1 of this Article, the following restrictions, which were contained in the original Declaration, are made a part of these By-Laws.

(a) Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the Property, except that dogs, cats or other household pets may be kept by the respective owners (in their respective units) provided that they are not kept, bred or maintained for any commercial purpose and do not endanger the health or, in the sole discretion of the Board of Directors, unreasonably disturb the owner of any unit or any resident thereof. No owner shall permit a pet to be outside his unit unless the pet is controlled by a leash.

(b) Signs and Business Activities. No advertising signs, billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Property, nor shall the Property be used in any way for any purpose which may endanger the health or unreasonably disturb the owner of any unit or any resident thereof. No business activities of any kind whatever shall be conducted in any building or in any portion of the Property.

(c) Clotheslines, Garbage Cans, Etc. All equipment, garbage cans, service yards, woodpiles and storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring units. No rubbish, trash

and garbage shall be allowed to accumulate on any limited common area, except areas specifically designated as trash enclosures. If no area is designated as a trash enclosure, garbage shall be kept in the garage or basement. No clotheslines shall be permitted outside any unit.

Section 3. Procedure. The Board shall not impose a fine, suspend a right to vote or infringe upon any other rights of a member or other occupant unless and until the following procedure is followed.

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation, and (iii) a time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing if the violation is not continuing.

(b) Notice. Within twelve months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation is repeated, the Board shall serve the violator with written notice of a hearing to be held by the Board. The notice shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statement, evidence and witnesses on his or her behalf; and (iv) the proposed sanction to be imposed.

(c) Hearing. The hearing shall be held in executive session pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

Article IX

Miscellaneous

Section 1. Notices. Unless otherwise provided in these By-Laws all notices, demands, bills, statements or other

communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) If to a unit owner, at the address which the unit owner has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the unit of such owner; or

(b) If to the Association, the Board of Directors or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice in writing to the owners pursuant to this Section.

Section 2. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws or the intent of any provision thereof.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of the provision thereof.

Section 4. Gender and Grammar. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Fiscal Year. The fiscal year shall be set by the resolution of the Board of Directors or, if not otherwise set shall be the calendar year.

Section 6. Audit. An audit of the accounts of the Association shall be made annually as a common expense by a public accountant, and a copy of the report shall be furnished to each member who requests a copy in writing. Upon written request of an institutional holder of a first mortgage, such holder shall be entitled to receive a copy of the annual audited financial statement within 90 days after the end of each fiscal year.

Section 7. Conflicts. In the event of conflicts between the Act, the Declaration and these By-Laws, the Act and the Declaration shall control in that order.

Section 8. Condemnation. In the event of a taking by condemnation or by eminent domain, the provisions of Section 6 of the Georgia Condominium Act shall prevail and govern. Each institutional holder of a first mortgage shall be entitled to a written notice of any such condemnation proceedings, and

nothing in these documents shall be construed to give a priority to any unit owner in the distribution of proceeds to such unit.

Section 9. Amendment. These By-Laws may be amended at an annual or special meeting of the members by a vote of two-thirds (2/3) of the members of the Association voting in person or by proxy, a quorum being present. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until it is recorded in the Records of DeKalb County, Georgia.

Section 10. Books and Records. All members of the Association and any institutional holder of a first mortgage shall, upon written request, be entitled to inspect all books and records of the Association during normal business hours at the office of the Association or other place designated reasonable by the Board of Directors as the depository of such books and records.

IN WITNESS WHEREOF, these undersigned signify that
these By-Laws were adopted on the 22 day of December 1977.

THE WRENS CROSS OF ATLANTA
CONDOMINIUM ASSOCIATION, INC.

BY: Jessie Held
President

ATTEST: Wanda L. Johnson
Secretary

Sworn to and subscribed before
me this 22 day of December,
1977.

[Signature]
WITNESS

[Signature]

