

WHEREAS, the lot owners at Mayfair/St. Clair Subdivision in Fulton County, Georgia, signing as additional signatories to this Declaration of Protective Covenants and Permanent Membership for Mayfair/St. Clair Subdivision ("Declaration"), are the owners of certain real property located in the Mayfair/St. Clair Subdivision (the "Property") and desire to subject the Property to the terms and provisions of this Declaration and to hereby subject the Property to permanent mandatory membership in the Mayfair/St. Clair Neighborhood Association, Inc. ("Association"), formerly known as the Mayfair-St. Clair Swim & Tennis Club, Inc.; and

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

WHEREAS, the Lot Owners who have executed this Declaration do hereby consent, on behalf of such Owner, Owner's successors, successors-in-title, heirs, and assigns, that such Owner's Lot shall be owned, held, transferred, sold, conveyed, used, occupied, mortgaged, or otherwise encumbered subject to all of the terms, provisions, covenants, and restrictions contained in this Declaration, as a Permanent Member (as defined in the Declaration) of the Association (with the classification set forth on the signatory pages attached hereto), all of which shall run with the title to Owner's Lot and shall be binding upon all persons having any right, title, or interest in Owner's Lot, their respective heirs, legal representatives, successors, successors-in-title, and assigns. Each Owner understands and acknowledges that, by submitting Owner's Lot to Permanent Membership in the Association, each Owner is hereby subjecting Owner's Lot to mandatory assessments in favor of the Association, with lien rights afforded therefor, in accordance with the Declaration. Each Owner does further consent to the submission of the Common Property to this Declaration, as defined herein;

NOW, THEREFORE, the undersigned officers of the Association, and all lot owners signing as additional signatories to the Declaration hereby declare that all of the Property described in Exhibit "A" and Exhibit "C" shall be held, sold and conveyed subject to this Declaration, which is for the purpose of enhancing and protecting the desirability and attractiveness of, and which shall run with, the Property, and be binding on all parties having any right, title or interest in the Property or any part thereof, and shall, subject to all limitations herein provided, inure to the benefit of each owner of any portion of the Property, his heirs, grantees, distributions, successors and assigns and to the benefit of the Association.

TABLE OF CONTENTS

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

- LIST OF EXHIBITS -

LIST OF SUBMITTED LOTS	“A”
DEFINITIONS	“B”
DESCRIPTION OF COMMON PROPERTY	“C”
SAMPLE CONSENT FORM FOR SUBSEQUENT ADDITIONS	“D”

**DECLARATION OF PROTECTIVE COVENANTS
AND PERMANENT MEMBERSHIP
FOR
MAYFAIR/ST. CLAIR SUBDIVISION**

1. NAME AND LOCATION.

The name of the property is Mayfair/St. Clair, which property is a residential property owners' development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq. (Michie 1982).

2. DEFINITIONS.

Generally, terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the Georgia Nonprofit Corporation Code. Unless the context otherwise requires, certain terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall be defined as set forth in Exhibit "B" attached hereto and incorporated herein by reference.

3. PROPERTY DESCRIPTION; PLATS.

The Property subject to this Declaration and the Act is located in Land Lots 819, 820, 836, 837, 838, 871, 872, 892 and 893 of the 1st District, 2nd Section of Fulton County, Georgia, being more particularly described in the signatory portion of this Declaration, in Exhibits "A" and "C" attached to this Declaration, and in the Plats, which Plats and Exhibits are specifically incorporated herein by this reference. For convenience, Exhibit "A" identifies those Lots in the Mayfair/St. Clair subdivision, in Fulton County, Georgia, which have been subjected to this Declaration and to Full Membership or Community Membership in the Association.

Only the real property described in this Paragraph 3 is subject to this Declaration. However, by one or more recorded written Consents or supplementary declarations thereof, the Association and an Owner of a Lot in Mayfair/St. Clair may subject other Lots within the Additional Property to this Declaration.

4. EFFECTIVE DATE.

As provided herein, Owners may submit their Lots to the terms of this Declaration during the Enrollment Period, which period shall close November 18, 2001, and such Owners shall be subject to the initiation fee provided for in Paragraph 6(e) hereof (if such Owner has not already paid an initiation fee to the Association), but shall not be subject to the Non-Member Conversion Fee provided in Paragraph 6(e). The Association shall have the right, but not the obligation, to extend the Enrollment Period. This Declaration shall not be effective, whether or not it is recorded, until and unless: (a) Owners constituting the equivalent of a total of at least one hundred seventy five (175) Full Members have executed this Declaration as Full or Community Members; (b) this Declaration and the signature pages attached hereto have been recorded in the Fulton County, Georgia land records; and (c) two Association officers have executed this Declaration certifying that the required number of Full and Community Members has been obtained. For purposes of this Paragraph 4, each Community Member shall be counted as one-fourth (1/4) of a Full Member. Additional Consents, by Owners of Lots within the Additional Property, may be recorded at any time subsequent to the recording of this Declaration, subject to the terms of this Declaration. Consents shall be valid only if executed by at least one officer of the Association and recorded by the Association. A sample form is attached as Exhibit "D" hereto and incorporated herein by reference. Any reduction in membership after the Effective Date of this Declaration for any reason whatsoever shall not affect the validity of this Declaration.

5. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS.

- (a) Membership Categories.

(i) Full Members. Each Person who is the record Owner of a fee or undivided fee interest in any Lot in Mayfair/St. Clair who subjects such Lot to Full Membership under this Declaration by execution of this Declaration or by written Consent shall be a Full Member of the Association. Full Members shall be entitled to use all Common Property and to vote on all Association matters, as set forth herein and in the By-Laws. Full Membership shall be appurtenant to and may not be separated from ownership of any such Full Member Lot. Full Members are subject to either initiation fees or Non-Member Conversion Fees, as provided in Paragraph 6(e) hereof.

(ii) Community Members. Each Person who is a record Owner of a fee or undivided fee interest in any Lot in Mayfair/St. Clair who subjects such Lot to Community Membership under this Declaration by execution of this Declaration or by written Consent shall be a Community Member. Community Members shall be entitled to attend community social functions, to use the Common Property (except the pool and tennis courts) and to have limited voting rights on Association matters as specified below and in the By-Laws. However, a Community Member also may elect on a voluntary basis to purchase a yearly use pass and pay additional dues or charges for use of the pool and tennis courts on an annual voluntary basis for the season established by the Board. Any Community Member desiring to use the pool and tennis courts of the Association may do so on an annual seasonal basis upon paying one hundred seventy-five percent (175%) of the annual assessment chargeable to Full Members for such year, reduced by the amount of the Community Member assessment paid by such Member for that year.

A Community Member shall have the right, but not the obligation, to convert to Full Membership by execution of a Consent as provided herein. A Community Member who converts to Full Membership and who has not yet paid an initiation fee to the Association shall be subject to payment of an initiation fee, as provided in Paragraph 6(e) hereof, but shall not be subject to payment of a Non-Member Conversion Fee.

UPON CONVEYANCE OR TRANSFER OF A LOT WHOSE CURRENT OWNER HAS EXECUTED THIS DECLARATION SUBJECTING SUCH OWNER'S LOT TO COMMUNITY MEMBERSHIP (OTHER THAN A CONVEYANCE TO THE OWNER'S SPOUSE OR TO THE HEIRS OF THE OWNER UPON THE OWNER'S DEATH), SUCH LOT SHALL AUTOMATICALLY CONVERT TO FULL MEMBERSHIP AND SHALL BE SUBJECT TO THE RIGHTS AND OBLIGATIONS OF FULL MEMBERSHIP, AND SHALL BE SUBJECT TO AN INITIATION FEE, AS PROVIDED IN PARAGRAPH 6(E) HEREOF. HOWEVER, SUCH LOT SHALL NOT BE SUBJECT TO THE NON-MEMBER CONVERSION FEE PROVIDED FOR IN PARAGRAPH 6(E) HEREOF. AFTER NOVEMBER 18, 2001, NO NEW COMMUNITY MEMBERSHIPS WILL BE ACCEPTED OR GIVEN, AND ANY NON-MEMBERS OR NON-PERMANENT MEMBERS DESIRING PERMANENT MEMBERSHIP THEREAFTER WILL BE ACCEPTED ONLY AS FULL MEMBERS.

(iii) Non-Permanent Members. Membership or yearly use passes shall be offered on a voluntary basis for Owners or occupants whose Lots in Mayfair/St. Clair have not been submitted to Permanent Membership in the Association. Non-Permanent Membership shall be contingent upon payment of dues established by the Board and compliance with the Declaration, By-Laws and rules and regulations of the Association. Non-Permanent Members shall be authorized to use the pool and tennis courts on an annual seasonal voluntary basis subject hereto, but may not vote on Association matters. The annual dues or use fee charged to Non-Permanent Members shall be two thousand dollars (\$2,000.00) during the first fiscal year after the Effective Date hereof, and as determined by the Board thereafter.

(b) General Provisions. The definitions of membership herein are not intended to 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 an Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Any rights and privileges of membership, including the right to vote and to hold office, may be exercised by a Member or the Member's spouse, but in no event shall more than one (1) vote be cast nor office held for each Lot owned.

(c) Recreational Facility Use. Full Members shall be entitled to use all Association recreational facilities, including the swimming pool, playground, tennis courts and related facilities, subject to this Declaration, the By-Laws and the rules and regulations of the Association. Community Members shall be entitled to attend Board designated

community-wide social functions. Community Members and Non-Permanent Members shall have no rights to use the swimming pool or tennis courts, as a Member, a guest of a Member or otherwise, except as specifically provided by the Board or if they have purchased a yearly use pass.

(d) Voting. When authorized to vote hereunder, Full and Community Members shall be entitled to one (1) equal vote for each Lot owned. Full Members shall be entitled to vote on any and all matters brought before a vote of the Members of the Association and may serve as members of the Association's Board of Directors. Community Members shall only be allowed to vote on such matters that do not involve the pool and/or the tennis courts, as determined by the Board of Directors. Community Members shall not be entitled to serve as members of the Board of Directors, but may be appointed to Association committees. Non-Permanent Members shall not be entitled to vote on any Association matter, nor serve on the Board. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves and advise the Secretary prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one (1) Person seeks to exercise it.

6. ASSESSMENTS.

(a) General. The Association shall have the power to levy dues or assessments against all Members, as provided herein and in the By-Laws. The assessments for Common Expenses provided for herein shall be used for the general purposes of maintaining, repairing, replacing, insuring, managing, operating and, in the Board's discretion, improving the Common Property, otherwise operating the Property, enforcing this Declaration, paying for utility services serving the Common Property, maintaining a reserve fund for future Common Property maintenance, repairs or improvements, and promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of Member Lots in the Property, as may be more specifically authorized from time to time by the Board. Except as otherwise provided herein, each Full Member Lot is hereby allocated equal liability as all other Full Member Lots for Common Expenses, and each Community Member Lot is hereby allocated equal liability for Common Expenses as all other Community Member Lots. The dues or assessments for each Member who elects to use the recreational facilities shall be equal among classes of Members, provided dues or assessments for Community or Non-Permanent Members shall not be equal with Full Members and shall be assessed as provided herein. The Board shall be authorized, in its discretion, to prorate the first annual assessment of Lot Owners who become new Permanent Members between July 15th and March 31st of any year. The Board also shall be authorized, in its discretion, to prorate the annual assessment of any Community Member who converts to Full Membership for the year in which such conversion occurs.

(b) Full and Community Members: Creation of the Lien and Personal Obligation For Dues. Each Owner of a Full or Community Member Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual dues or charges; (ii) special assessments, such assessments to be established and collected as hereinafter provided; (iii) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration; and (iv) initiation fees or Non-Member Conversion Fees, as applicable and as provided herein.

All such dues, assessments and fees, together with charges, interest, costs, and reasonable attorney's fees actually incurred, in the maximum amount permitted under the Act, shall be a charge on such Full or Community Member Lot and shall be a continuing lien upon the Lot against which each dues or assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the dues or assessment fell due. Each Owner of a Full or Community Member Lot and his or her grantee shall be jointly and severally liable for all dues and assessments and charges due and payable at the time of any conveyance. Dues, assessments and fees shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include acceleration of any installments thereof for delinquent Owners upon ten (10) days written notice.

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

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

(i) If the annual dues or any part or installment thereof is not paid in full within thirty (30) days of the due date, a late charge equal to the greater of Ten Dollars (\$10.00) or ten percent (10%) of the amount not paid or such higher amount as may be authorized under the Act, may be imposed without further notice or warning to the delinquent Member, and interest at the highest rate permitted under the Act (or the highest rate otherwise permitted under Georgia law for Non-Permanent Members) shall accrue from the due date.

(ii) For Owners whose Lots are subjected to Full or Community Membership in the Association, the Association, acting through the Board, may suspend the Owner's right to use the Common Property if the amounts remain unpaid for more than thirty (30) days, and institute suit to collect all amounts due pursuant to the provisions of the Declaration, the By-Laws, and the Act, if the amounts remain unpaid for more than sixty (60) days.

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

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

(i) Permanent Member Budget and Assessments. The maximum annual assessment for Permanent Members for the first fiscal year after the Effective Date of this Declaration shall not exceed One Hundred Twenty Five Dollars (\$125.00) for Community Members and Five Hundred Dollars (\$500.00) for Full Members. Notwithstanding anything to the contrary herein, if a Permanent Member transfers a Lot to any other Full, Community or Non-Permanent Member, there shall be no refund of the annual assessment and the purchaser and seller may allocate the annual assessment among themselves in a manner which they shall determine.

The Board shall establish the annual assessment or dues chargeable to Full Members and Community Members, covering the estimated costs of operating the Property. In addition to estimated costs of operating the Property, including repairing, replacing, and improving the Common Property, the budget shall include amounts to cover anticipated Common Expenses of operating and managing the swimming pool, tennis courts and related facilities on the Common Property, including insurance, legal, accounting and other professional fees, utility costs, landscaping costs, and a reserve or capital contribution related to maintenance and operation of these amenities on the Common Property. The budget shall reflect anticipated income to be received from Community and Non-Permanent Members, and the Full and Community Member assessments hereunder shall be determined from the budget prepared by the Board.

The budget and notice of assessment shall be sent or delivered to each Permanent Member at least thirty (30) days prior to the due date of the annual assessment. The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of Common Expenses on which the Board may base the annual assessments.

Notwithstanding the above, the annual assessment for Full Members shall not increase by more than ten percent (10%) per year above the previous year's annual assessment without the approval of a Majority of the eligible Full Members voting by ballot or voting in person or by proxy at a duly called meeting of the Full Members. If a budget is voted down by the Full Membership as provided herein, or the Board fails for any reason to determine the annual assessment for any year, then the assessment for the current year shall continue for the succeeding year until the Board proposes a new budget or assessment following the procedures set forth above.

(ii) Non-Permanent Member Assessment. The Non-Permanent Member annual fees for Membership and a season's use pass shall be two thousand dollars (\$2,000.00) for the first season after the Effective Date hereof, and as determined by the Board thereafter. Each Non-Permanent Member shall be personally liable for all dues and assessments, as well as for any Common Expenses occasioned by the conduct of such Member or such Member's guests or invitees.

(e) Initiation Fee and Non-Member Conversion Fee. As provided herein, upon becoming a Full Member either: (1) during the Enrollment Period, (2) by conversion from Community Membership hereunder (whether by execution of a Consent or by conveyance of a Community Member's Lot), or (3) by conveyance of a Full Member's Lot, each Full Member shall be assessed and be required to pay the Association an initiation fee established by the Board for that fiscal year, unless such Full Member already has paid an initiation fee to the Association. Instead of paying an initiation fee, any Non-Member who becomes a Full Member other than by one of the three methods provided for above shall be assessed and be required to pay the Association a conversion fee (the "Non-Member Conversion Fee") established by the Board for each fiscal year.

During the first fiscal year following the Effective Date hereof, the Non-Member Conversion Fee will not exceed Two Thousand Five Hundred Dollars (\$2,500.00) for any Non-Permanent Member who elects to become a Full Member after the Enrollment Period.

Initiation fees and Non-Member Conversion Fees levied hereunder shall constitute assessments against the Member's Lot and the personal obligation of the Members against whom the assessments are made. Any initiation fees and Non-Member Conversion Fees paid pursuant to the terms of this Paragraph shall be nonrefundable and nontransferable.

(f) Special Assessments. In addition to the annual assessment provided for above, the Board may at any time levy a special assessment for any purpose against all Full Members for expenses related to operation of the pool, tennis courts and related facilities, and against all Full and Community Members for any other Association expenses or issues, including maintenance, repair, replacement and improvement of the pools, tennis courts, playground and other Common Property. Prior to becoming effective, any special assessment first must be approved by the affirmative vote of at least a majority of the eligible Full Members for any assessment against only Full Members hereunder, and a majority of the eligible Full and Community Members for any other special assessments hereunder. Notice of any special assessment adopted hereunder shall be sent or issued to all Members liable for such assessment.

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

(h) Statement of Account. Any Owner, Mortgage holder, or a Person having executed a contract for the purchase of a Full Member Lot or a Community Member Lot, or a lender considering a loan to be secured by a Full Member Lot or a Community Member Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any initiation fee, late charges, interest, fines, or other charges against such Lot. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding Ten Dollars (\$10.00), or such higher amount as authorized by the Act, as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein.

(i) Specific Assessments. In the discretion of the Board, any Association Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any such Lot or Lots, including but not limited to reasonable attorneys' fees actually incurred by the Association, may be specially assessed against such Lot or Lots. Failure of the Board to exercise its authority under this Paragraph shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Paragraph in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Paragraph.

7. MORTGAGEE'S RIGHTS.

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

- (i) by act or omission seek to abandon or terminate the Association;

(ii) change the pro rata interest or obligations of any individual Full or Community Member Lot for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;

(iii) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Property (the granting of utility or public easements or rights-of-way or other easements shall not be deemed a transfer within the meaning of this provision); or

(iv) use hazard insurance proceeds for losses to any portion of the Common Property for other than the repair, replacement, or reconstruction of such portion of the Common Property.

(b) Mortgagee Assessments Upon Foreclosure of Permanent Member Lot. Where the Mortgagee holding a first priority Mortgage of record on a Full Member Lot or a Community Member Lot or other purchaser of a Full or Community Member Lot obtains title pursuant to judicial or nonjudicial foreclosure of the first priority Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Full and Community Member Lots, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

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

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

(ii) any delinquency in the payment of assessments or charges owed by an Owner of a Full or Community Member Lot subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Lot Owner of any other obligation under the Declaration or By-Laws which is not cured within sixty (60) days;

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

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

(d) Financial Statements. Any holder of a first Mortgage on a Full Member Lot or a Community Member Lot shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the Association's financial statement for the immediately preceding fiscal year, free of charge.

8. ASSOCIATION RIGHTS AND RESTRICTIONS.

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

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

(b) to enforce the provision of this Declaration, the By-Laws and rules and regulations concerning the Common Property, by imposing reasonable monetary fines, suspending use and voting privileges of Full and Community Members (as provided herein and in Section 44-3-223 of the Act), suspending or revoking use and membership privileges of Non-Permanent Members, and using any other legal or equitable means, including self-help. These powers, however, shall not limit any other legal means of enforcing the Declaration, By-Laws and rules and

regulations by either the Association or, in an appropriate case, by an aggrieved Permanent Member subject hereto. Any fines imposed against a Full or Community Member shall be considered an assessment against such Full Member's or Community Member's Lot;

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

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

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

(f) to represent the Members in dealing with governmental entities involving the Common Property;

(g) to acquire, hold and dispose of tangible and intangible personal property and real property;

(h) to establish guidelines for Non-Permanent Members; and

(i) to exercise all powers available under Section 44-3-225 of the Act, and under other provisions of the Act, as the Board shall determine is appropriate.

9. INSURANCE.

(a) The Association's Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Property, in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard.

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

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

(d) All such insurance coverage obtained by the Board shall be written in the name of the Association, as trustee, for the benefit of the Association and its Members, and shall contain such coverages and provisions as determined reasonable or appropriate by the Board.

(e) In addition to the other insurance required by this Paragraph, the Board shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and if determined necessary in the determination of the Board, a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment.

10. REPAIR AND RECONSTRUCTION.

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

Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Common Property was originally constructed, except where changes are necessary to comply with current applicable building codes. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, including related professional fees, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, a special assessment may be made against all of the Full and Community Members in compliance with Paragraph 6(f) above, which assessments shall be proportioned based on each class of member's annual assessment for such year.

11. USE RESTRICTIONS.

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

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

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

The Board may adopt such other reasonable rules or restrictions regarding use of the Common Property as it deems appropriate.

12. SEVERABILITY.

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

13. DURATION.

The covenants and restrictions of this Declaration shall run with and bind the Property perpetually to the extent provided in the Act. Notwithstanding anything to the contrary herein, neither: (1) the foreclosure of Mortgages on one or more Full or Community Member Lots subsequent to the recording of this Declaration, nor (2) the execution of one or more Consents in a defective manner, nor (3) that, as a result of such foreclosure(s) and/or defective executions, there are less than the equivalent of a total of one hundred seventy five (175) Full Members at any time, shall affect the validity and enforceability of this Declaration as to all other Lots submitted hereto.

14. AMENDMENT.

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

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

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to comply with the Act, any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

Any action to challenge the validity of an amendment adopted under this Paragraph must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time. The preambles to this Declaration are incorporated herein by this reference.

15. MAINTENANCE.

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

16. GENERAL PROVISIONS.

(a) Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the Common Property; however, each Member, for himself or herself and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security on the Common Property. It shall be the responsibility of each Member to protect his or her person and property and all responsibility to provide security shall lie solely with each Member. The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

(b) No Discrimination. No action shall be taken by the Association or the Board of Directors which would unlawfully discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or handicap.

(c) Indemnification. The Association shall indemnify every officer, director and committee member against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer, director or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member. The officers,

directors or committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors or committee members 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, directors or committee members may also be members of the Association), and the Association shall indemnify and forever hold each such officer, director or committee member 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, director or committee member, or former officer, director or committee member, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

(d) Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

(e) Dispute Resolution. All Members must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute and submit the dispute to formal mediation before the Member files any lawsuit against the Association, the Board, any officer or director, or any property manager of the Association. The Member shall, in such notice and at the hearing and the mediation session, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Member's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) nor more than twenty-one (21) days from the date of its receipt of the notice of hearing. If mediation is required, it shall be conducted in accordance with the Mediation Rules of the Superior Court of Fulton County, and the parties shall share the costs equally.

(f) Status of Non-Permanent Members. Non-Permanent Members are not "lot owners" as defined in the Act.

IN WITNESS WHEREOF, the undersigned Lot Owners at Mayfair/St. Clair, by execution of this Declaration, do hereby submit the Property described herein and listed in Exhibit "A" hereto to the terms of this Declaration and to Full Membership or Community Membership in the Mayfair/St. Clair Neighborhood Association, Inc., and, further, the undersigned officers of the Mayfair/St. Clair Neighborhood Association, Inc., hereby certify that this Declaration was duly executed by the required number of Permanent Members and by the Board of Directors of the Association.

This _____ day of _____, 200____.

ASSOCIATION: MAYFAIR/ST. CLAIR NEIGHBORHOOD ASSOCIATION, INC.

Sworn to and subscribed to before me this ___day of _____, 2001.

By: _____ (Seal)
President

Witness

Attest: _____ (Seal)
Secretary

Notary Public

[CORPORATE SEAL]

[Notary Seal]

[SIGNATURES CONTINUE ON FOLLOWING PAGES]

[ADDITIONAL SIGNATORY TO DECLARATION]

The undersigned Owner(s) is/are the record Owner(s) and holders of title in fee simple to a Lot within the Mayfair/St. Clair Subdivision, located at the address described below, in Land Lot ___ of the 1st District, 2nd Section, Fulton County, Georgia, and more particularly shown as Lot _____ on the plat of survey for Mayfair Subdivision or St. Clair Subdivision, Unit/Phase ____, recorded in Plat Book ____, Page ____, Fulton County, Georgia records, such plat being incorporated herein by this reference. Owner(s) also hereby consent(s) to the adoption of the Amended and Restated Bylaws of Mayfair/St. Clair Neighborhood Association, Inc., if Owner is a member thereof at the time of execution below. In accordance with O.C.G.A. Section 14-3-1103(c), the undersigned Owner(s) also hereby consent(s) to the merger of the Mayfair/St. Clair Homeowners Association, Inc., into the Mayfair-St. Clair Swim & Tennis Club, Inc., and the renaming of the surviving corporation to "Mayfair/St. Clair Neighborhood Association, Inc.," if Owner is a member of either or both thereof at the time of execution below.

The undersigned Owner(s) elect(s) the following level of Membership:

(CHECK ONE)

Permanent Full Member

Permanent Community Member

Signed, sealed and delivered
this ____ day of _____,
2001.

Signature of Owner

Witness

Signature of Co-Owner (if any)

Notary

Print or Type Full Name of Owner

[Notary Seal]

Print or Type Full Name of Co-Owner

Street Address

EXHIBIT "B"
DEFINITIONS

- (a) Act means the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq., as may be amended.
- (b) Additional Property means all lots shown on the Mayfair/St. Clair Subdivision Plats which have not submitted to the terms and provisions of this Declaration.
- (c) Articles or Articles of Incorporation mean the Articles of Incorporation of Mayfair/St. Clair Neighborhood Association, Inc., filed with the Secretary of State of the State of Georgia, as amended.
- (d) Association means Mayfair/St. Clair Neighborhood Association, Inc., a Georgia nonprofit corporation, its successors or assigns.
- (e) Association Legal Instruments means this Declaration, all exhibits hereto, and the Mayfair/St. Clair Subdivision Plats, all as may be supplemented or amended.
- (f) Board or Board of Directors means the elected body responsible for management and operation of the Association.
- (g) By-Laws mean the By-Laws of Mayfair/St. Clair Neighborhood Association, Inc.
- (h) Common Expenses mean the expenses anticipated or actually incurred by the Association in maintaining, repairing, replacing, and operating the Common Property and otherwise for the benefit of all Permanent Member Lots.
- (i) Common Property means all property and easements now or hereafter owned by the Association for the common benefit of the Members, including, but not limited to, the pool and tennis courts. The Common Property includes that property described in Exhibit "C" attached hereto and incorporated by this reference.
- (j) Community Member means a Lot Owner whose Lot has been subjected to Community Membership in the Association by signature hereto or by written Consent, as provided in this Declaration, and which Lot therefore is a portion of the Property.
- (k) Consent means a written document executed by a Lot Owner, recorded in the Fulton County, Georgia land records, submitting that Owner's Lot to the terms of this Declaration.
- (l) Effective Date means the date that this Declaration is recorded in the Fulton County, Georgia land records.
- (m) Eligible Mortgage Holder means a holder of a first mortgage secured by a Permanent Member Lot who has requested, in writing, notice of certain items as set forth herein.
- (n) Enrollment Period means the time period expiring November 18, 2001, at 11:59 p.m., during which Owners may submit their Lots to the terms of this Declaration without payment of the Non-Member Conversion Fee provided for in Paragraph 6(e) of this Declaration.
- (o) Full Member means a Lot Owner whose Lot has been subjected to Full Membership in the Association by signature hereto or by written Consent, as provided in this Declaration, and which Lot therefore is a portion of the Property.
- (p) Lot means a portion of the Property or the Additional Property intended for ownership and use as a single-family dwelling site as permitted in this Declaration and as shown on the Plats, or amendments or supplements thereto, recorded in the Fulton County, Georgia land records.

(q) Member means a Lot Owner whose Lot has been subjected to Full Membership or Community Membership in the Association by execution hereof or by written Consent as provided herein, and which Lot therefore is a portion of the Property, or any Non-Permanent Member.

(r) Mortgage means 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 of fee title for such purpose.

(s) Mortgagee or Mortgage Holder means the holder of any Mortgage.

(t) Non-Permanent Member means any Member whose Lot has not been subject to Permanent Membership.

(u) Officer means an individual who is elected by the Board to serve as President, Vice President, Secretary or Treasurer, or such other subordinate officers as the Board may determine necessary.

(v) Owner means the record titleholder of a Lot within the Mayfair/St. Clair Subdivision, but shall not include a Mortgage Holder of the Lot.

(w) Permanent Member Lot means a Lot subjected pursuant to this Declaration to Full Membership or Community Membership in the Association.

(x) Permanent Members mean the Full and Community Members.

(y) Permanent Membership means a membership in the Association which is permanent and mandatory and which cannot be separated from a Lot, but rather is appurtenant to and runs with title to a Lot by virtue of submission or written Consent as provided herein, with such rights, duties and privileges as set forth in this Declaration.

(z) Person means any individual, corporation, firm, association, partnership, trust, or other legal entity.

(aa) Plats mean the plats for Mayfair Subdivision and St. Clair Subdivision recorded in Plat Book 144, Page 21, Plat Book 145, Page 27, Plat Book 147, Page 32, Plat Book 150, Page 82, Plat Book 151, Page 37, Plat Book 153, Page 92, and Plat Book 188, Page 9, Fulton County, Georgia records. The Plats are incorporated herein by this reference.

(bb) Property means that real estate which is submitted to the Act and the provisions of this Declaration on the Effective Date (being the Member Lots), the Common Property, and any portion of the Additional Property as is submitted hereto by written Consent after the Effective Date hereof. The Property is a residential property owners' development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, et seq., as may be amended.

(cc) Mayfair/St. Clair Subdivision means all Lots shown on the Plats.

EXHIBIT "C"

Description of Common Property

All that tract or parcel of land lying and being in Land Lots 819, 828, and 837 1st District, 2nd Section of Fulton County, Georgia, and being more particularly described as follows:

Beginning at a point on the southerly right of way line of Abbottswell Drive (50 foot right of way), said point being 211.43 feet southeasterly as measured along said right of way line of Abbottswell Drive from the centerline of Cadbury Court (44 foot right of way), thence continue along said right of way line and follow a curve to the left an arc distance of 85.04 feet, said curve having a chord of South 89 degrees 55 minutes 31 seconds East 84.74 feet and a radius of 295.00 feet, to a point, thence leaving said right of way line and running South 08 degrees 11 minutes 00 seconds East a distance of 211.53 feet to a point, thence South 16 degrees 13 minutes 58 seconds West a distance of 290.96 feet to a point, thence South 68 degrees 54 minutes 44 seconds East a distance of 190.03 feet to a point on the westerly right of way line of Arborwoods Drive (50 foot right of way), thence southeasterly along the westerly right of way line of Arborwoods Drive South 11 degrees 17 minutes 21 seconds East a distance of 72.31 feet to a point, continuing thence southerly and southwesterly along the westerly and northwesterly right of way of Arborwoods Drive and following a curve to the right an arc distance of 254.87 feet, said curving having a chord of South 19 degrees 46 minutes 53 seconds West a distance of 242.56 feet and having a radius of 235.00 feet, to a point, thence North 36 degrees 45 minutes 03 seconds West a distance of 356.68 feet to a point, thence North 88 degrees 17 minutes 22 seconds West a distance of 284.61 feet to a point, thence North 00 degrees 32 minutes 18 seconds West a distance of 262.06 feet to a point, thence North 89 degrees 27 minutes 42 seconds East a distance of 234.00 feet to a point, thence North 56 degrees 32 minutes 48 seconds East a distance of 134.24 feet to a point, thence North 02 degrees 56 minutes 08 seconds East a distance of 224.14 feet to the POINT OF BEGINNING, according to a release plat for Swim and Tennis Club, Mayfair and St. Clair Subdivisions, by Travis Pruitt and Associates, P.C., dated November 19, 1985 said tract containing 204,401 sq. ft. or 4.6924 acres of land, and said plat being recorded June 13, 1986 in Plat Book 147, Page 32, of Fulton County, Georgia records.

EXHIBIT "D"

[Space Above Reserved For Recording Data]

**STATE OF GEORGIA
COUNTY OF FULTON**

Index in Grantor Index Owner's Name(s): _____

Index in Grantor and Grantee Index Also Under:
Mayfair/St. Clair Neighborhood Association, Inc.

Cross Reference to Owner's Deed: Deed Book _____
Page _____

Cross Reference to Mayfair/St. Clair Subdivision Declaration: Deed Book _____
Page _____

**CONSENT FORM TO THE DECLARATION OF PROTECTIVE COVENANTS
AND PERMANENT MEMBERSHIP FOR MAYFAIR/ST. CLAIR SUBDIVISION
AND
OWNER SUBMISSION TO MEMBERSHIP IN
MAYFAIR/ST. CLAIR NEIGHBORHOOD ASSOCIATION, INC.**

[For Subsequent Additions and Conversions]

WHEREAS, the undersigned owner(s) (hereinafter referred to as "Owner") is/are the record owner and holder of title in fee simple to a Lot within the Mayfair/St. Clair Subdivision, located at the address described below in Land Lot ____, 1st District, 2nd Section, Fulton County, Georgia, more particularly shown as Lot ____ on the plat of survey for Mayfair Subdivision or St. Clair Subdivision recorded in Plat Book ____, Page ____, Fulton County, Georgia records (hereinafter "Owner's Property"), such plat being incorporated herein by this reference; and

WHEREAS, Owner desires to submit and/or convert Owner's Property to the Declaration of Protective Covenants and Permanent Membership for Mayfair/St. Clair Subdivision as recorded at Deed Book ____, Page ____, et seq., aforesaid records ("Declaration"), as may be amended, as a Permanent Member of the Association, as defined in the Declaration in the category shown below;

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

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

Print or Type Full Name of Owner(s)

Signature of Owner

Witness

Signature of Co-Owner

Notary Public

Street Address

[Notary Seal]

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

Approved by:

*Signed, sealed, and delivered
this __ day of __, 200__.*

***MAYFAIR/ST. CLAIR NEIGHBORHOOD
ASSOCIATION, INC.***

Witness

By: _____ *(Seal)*
President

Notary Public

[CORPORATE SEAL]

[NOTARY SEAL]