

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

CONTROL NUMBER: 0556203
EFFECTIVE DATE: 08/17/2005
JURISDICTION : GEORGIA
REFERENCE : 0174
PRINT DATE : 08/22/2005
FORM NUMBER : 311

DAVID N. DOROUGH, JR.
125 CLAIREMONT AVE.
SUITE 520
DECATUR, GA 30030

CERTIFICATE OF INCORPORATION

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify under the seal of my office that

ST. MICHAELS BAY HOMEOWNERS ASSOCIATION, INC.
A DOMESTIC NONPROFIT CORPORATION

has been duly incorporated under the laws of the State of Georgia on the effective date stated above by the filing of articles of incorporation in the Office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.



A handwritten signature in black ink, appearing to read "Cathy Cox", positioned above the printed name and title.

Cathy Cox
Secretary of State



CATHY COX
Secretary of State

**OFFICE OF SECRETARY OF STATE
CORPORATIONS DIVISION**

315 West Tower, #2 Martin Luther King, Jr. Drive
Atlanta, Georgia 30334-1530
(404) 656-2817

Registered agent, officer, entity status information via the Internet
<http://www.georgiacorporations.org>

WARREN RARY
Director

ENRICO M. ROBINSON
Assistant Director

**TRANSMITTAL INFORMATION
GEORGIA PROFIT OR NONPROFIT CORPORATIONS**

DO NOT WRITE IN SHADED AREA - SOS USE ONLY

DOCKET #	<u>052340410</u>	PENDING #	<u>P691387</u>	CONTROL #	<u>0556203</u>
DOCKET CODE	<u>0311</u>	DATE FILED		AMOUNT RECEIVED	
				CHECK/ RECEIPT #	<u>4981</u>
TYPE CODE	<u>DN</u>	EXAMINER		JURISDICTION (COUNTY) CODE	<u>060</u>

NOTICE TO APPLICANT: PRINT PLAINLY OR TYPE REMAINDER OF THIS FORM

1. 052280199

Corporate Name Reservation Number (if one has been obtained; if articles are being filed without prior reservation, leave this line blank)

St. Michaels Bay Homeowners Association, Inc.

Corporate Name (List exactly as it appears in articles)

2. David N. Dorough, Jr. (Dorough & Dorough, LLC)

(404) 687-9977

Name of person filing articles (certificate will be mailed to this person, at address below)

Telephone Number

125 Clairemont Avenue, Suite 520

Address

Decatur

Georgia

30030

City

State

Zip Code

3.

Mail or deliver the following items to the Secretary of State, at the above address:

- 1) This transmittal form
- 2) Original and one copy of the Articles of Incorporation
- 3) Filing fee of \$100.00 payable to Secretary of State. Filing fees are NON-refundable.

I certify that a Notice of Incorporation or Notice of Intent to Incorporate with a publication fee of \$40.00 has been or will be mailed or delivered to the official organ of the county where the initial registered office of the corporation is to be located. (List of legal organs is posted at web site; or, the Clerk of Superior Court can advise you of the official organ in a particular county.)

Authorized signature of person filing documents

August 16, 2005

Date

Request certificates and obtain entity information via the Internet: <http://www.georgiacorporations.org>

ARTICLES OF INCORPORATION
OF
ST. MICHAELS BAY HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name

The name of the corporation shall be: St. Michaels Bay Homeowners Association, Inc.

ARTICLE II

Applicable Law

The corporation is organized pursuant to the provisions of the Georgia Nonprofit Corporation Code.

ARTICLE III

Duration

The corporation shall have perpetual duration.

ARTICLE IV

Status of Corporation

The corporation shall have no stock or stockholders; it is not organized and shall not operate for profit or pecuniary gain; and no part of the net earnings of the corporation shall inure to the benefit of any member, director, officer or any private individual except that, pursuant to proper authorization, reasonable compensation may be paid for services rendered on behalf of the corporation which accomplish one or more of its

SECRETARY OF STATE
2005 AUG 17 PM 4:33
COMM. CHARTERED

purposes. No substantial part of the activities of this corporation shall be for carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including publishing or distributing statements) any political campaign on behalf of any candidate for public office.

ARTICLE V

Purposes

The purpose for which this corporation is organized is to exercise the powers and privileges and perform all the duties and obligations of the Association of the "Owners" (as hereinafter defined) of St. Michaels Bay Subdivision, a Subdivision in Forsyth County, Georgia (hereinafter referred to as the "Subdivision") as more particularly set forth in that certain Declaration of Covenants, Restrictions and Easements for St. Michaels Bay, which will be recorded in the Office of the Clerk of the Superior Court of Forsyth County, Georgia, as amended from time to time (hereinafter referred to as the "Declaration"), and in the Bylaws of this corporation; to promote the recreation, health, safety, welfare, common benefit and enjoyment of the "Owners" of "Lots" (as defined in the Declaration) in the Subdivision as more fully set forth in the Declaration; and to perform such related functions as the Board of Directors of this corporation shall from time to time determine.

ARTICLE VI

Association Power

This corporation shall have all of the rights, powers, privileges and immunities as are provided and allowed in the Declaration and the Georgia Nonprofit Corporation Code, subject to the provisions of the Declaration. In addition to, but not in limitation of, the general powers conferred by law, this corporation shall have the power to own, acquire, construct, operate and maintain property, buildings, structures and other facilities incident thereto; to supplement municipal or governmental services; to fix and collect assessments to be levied against and with respect to the Lots and the Owners thereof, which assessments shall be a lien and permanent charge on said Lots as well as the personal obligation of said Owners; to enforce any and all covenants, restrictions and agreements applicable to the Subdivision; to buy, hold, lease, sell, rent, manage and otherwise deal in property of every kind and description, whether real or personal; with the assent of two-thirds (2/3) of the members, dedicate, sell or transfer all or any part of the Common Property, as more particularly described in the Declaration, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members; to borrow money; with the assent of two-thirds (2/3) of the members, secure any such borrowings by mortgage, deed, security deed, pledge or otherwise; and, insofar as permitted by law, to do any other thing that, in the opinion of

the Board of Directors, will: promote, directly or indirectly, the health, safety, welfare, common benefit or enjoyment of the Owners; enhance, preserve or maintain property values within the Subdivision; enhance, preserve or maintain the appearance of the Subdivision and its surroundings; or be necessary, proper, useful or incidental to the carrying out of the functions for which the corporation is organized.

ARTICLE VII

Registered Office and Agent; Principal Office

The address of the initial registered office of the corporation shall be Two Midtown Plaza, Suite 1150, 1349 West Peachtree Street, Atlanta, Fulton County, Georgia 30309, and the name of its initial registered agent at such address is Randolph A. Marks. The initial principal office of the corporation shall be 7380 McGinnis Ferry Road, Suite 200, Suwanee, Georgia 30024.

ARTICLE VIII

Management

The affairs of this corporation shall be managed by a Board of Directors who shall be elected and serve as provided in the Declaration and the Bylaws of this corporation, subject to any right of the "Declarant" (as defined in the Declaration) to appoint and remove Directors as provided in the Declaration.

ARTICLE IX

Board of Directors

The initial Board of Directors of this corporation shall number three (3) and the name and address of each person who is to serve as a member thereof is as follows:

<u>Name</u>	<u>Address</u>
Alec B. Rickenbaker	7380 McGinnis Ferry Road Suite 200 Suwanee, GA 30024
Mike Ruland	7380 McGinnis Ferry Road Suite 200 Suwanee, GA 30024
Bill Schmidt	7380 McGinnis Ferry Road Suite 200 Suwanee, GA 30024

ARTICLE X

Limitation of Personal Liability

No director shall have any personal liability to the corporation or to its members for monetary damages for breach of duty of care or other duty as a director, by reason of any act or omission occurring subsequent to the date hereof, except that this provision shall not eliminate or limit the liability of a director for (a) any appropriation, in violation of his duties, of any business opportunity of the corporation; (b) acts or omissions which involve intentional misconduct or a knowing violation of law; or (c) the types of liability set forth in Sections 14-3-860 through 14-3-864 of the Official Code of Ga.

Ann.; or (d) any transaction from which the director derived an improper personal benefit.

ARTICLE XI

Members

This corporation shall have two (2) classes of members: Class A and Class B. Each Owner of a Lot, other than Declarant (a "Class A Member") shall automatically be a member of this corporation, which membership shall continue during the period of ownership by such Owner. Declarant shall be the sole Class B Member and shall be entitled to three (3) votes for each Lot owned; provided, however, in no event shall the Class B Member have less than the total number of Class A votes plus one (1). The Class B Membership shall cease and be converted to Class A Membership at such time as Declarant no longer retains the right to appoint and remove members of the Board and officers of the Association pursuant to Section 3.8 of the Declaration. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Voting by the members of this corporation shall be as set forth in the Declaration and the Bylaws of this corporation. Said votes shall be cast under such rules and procedures as may be prescribed in the Bylaws of this corporation, as amended from time to time, or by law.

ARTICLE XII

Amendments

These Articles of Incorporation may be amended as by law provided pursuant to a resolution duly adopted by the Board of Directors and by at least three-fourths (3/4) of the votes which members present in person or by proxy at a duly called meeting are entitled to cast; provided, however, that no members shall be entitled to vote on amendments to these Articles of Incorporation introduced for the sole purpose of complying with the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or other governmental or quasi-governmental agencies which guaranty, insure or make a secondary market in mortgage loans, as such requirements may exist from time to time, which amendments may be adopted at a meeting of the Board of Directors alone upon receiving the vote of a majority of the Directors then in office.

ARTICLE XIII

Dissolution


This corporation may be dissolved as by law provided pursuant to a resolution duly adopted by the Board of Directors and by at least two-thirds (2/3) of the votes which members present in person or by proxy at a duly called meeting are entitled to cast.

ARTICLE XIV

Incorporator

The name of the incorporator is David N. Dorough, Jr., whose address is Dorough & Dorough, LLC, Two Decatur TownCenter, Suite 520, 125 Clairemont Avenue, Decatur, DeKalb County, Georgia 30030.

IN WITNESS WHEREOF, the Incorporator has executed these Articles of Incorporation.



David N. Dorough, Jr., Incorporator

SECRETARY OF STATE

2005 AUG 17 PM 12:32

RECEIVED

BYLAWS
OF
ST. MICHAELS BAY HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
MEMBERS

1.01 Members. The "Members" of St. Michaels Bay Homeowners Association, Inc. (the "Association") shall be those persons who are determined to be Members in accordance with Section 3.2 of the Declaration of Covenants, Restriction and Easements for St. Michaels Bay (hereinafter referred to as the "Declaration") executed by St. Michaels Bay Partners, L.P., a Georgia limited partnership, as Declarant (hereinafter referred to as the "Declarant"), for a new community to be known as "St. Michaels Bay Subdivision" in Forsyth County, Georgia (hereinafter referred to as the "Subdivision"), and to be filed for record in the Office of the Clerk of the Superior Court of Forsyth County, Georgia, as such Declaration may be amended from time to time.

1.02 Annual Meeting of Members. The regular annual meeting of the Members shall be held at such place within the State of Georgia as shall be designated in the call of the meeting, on the second Tuesday in the fourth month following the close of each fiscal year of the Association, if not a legal holiday, and if a legal holiday, then on the next business day succeeding. The Members shall at such annual meeting elect a Board of Directors for the ensuing year, in the manner provided in Article 2.01 hereof, and shall have authority to transact any and all business which may be brought before such meeting.

1.03 Special Meetings of Members. Special meetings of Members shall be held, at such place within the State of Georgia, as shall be designated in the call of the meeting. Special meetings may be called by the President of the Association at any time, and must be called by the President when so requested in writing by any two Directors, by the Declarant during the period of time when the Declarant has the right to appoint members of the Board of Directors, or by ten percent of the Members of the Association.

1.04 Notice of Meetings. Written notice of the place, date and time of every annual or special meeting of Members shall be mailed to each Member, not less than thirty (30) days or more than sixty (60) days before such meeting. Each Member shall register his address with the Association, and notices of meetings shall be mailed to him at such address. If for a special meeting, such

notice shall state the object or objects of the meeting. It shall not be necessary that notice of an annual meeting specify the business to be transacted at such meeting, but such notice shall specify the number of directors to be elected at such annual meeting.

1.05 Quorum. Unless otherwise provided in the Declaration, a quorum at any meeting of Members, whether annual or special, shall consist of the presence at such meeting, in person or by proxy, of Members entitled to cast one-tenth of the votes of the Members of the Association. Unless otherwise provided in the Articles of Incorporation of the Association, the Declaration or these Bylaws, a majority of the votes entitled to be cast by all Members present at a meeting at which a quorum is present shall be necessary and sufficient to decide and act upon any question which shall come before the meeting. No business shall be transacted at any meeting unless a quorum is present.

1.06 Voting. Voting rights of Members shall be as set forth in the Declaration. If a Member consists of more than one person and only one of those persons is present at a meeting of the Members, that person shall be entitled to cast the vote of such Member; however, if more than one of those persons is present, such vote shall be cast only in accordance with their unanimous agreement, and such agreement shall be conclusively presumed if any one of them purports to cast the vote of such Member without protest being made forthwith by any of the others present at such meeting to the person presiding over the meeting. If such persons are unable to reach unanimous agreement as to how the vote of such Member shall be cast, no vote may be cast by such persons.

1.07 Proxies. The vote of any Member may (and shall, in the case of any Member not a natural person or persons) be cast pursuant to a proxy or proxies duly executed by or on behalf of the Member, or in cases where the Member consists of more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by written notice delivered to the Association by the Member or by any of such persons executing the proxy. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. A proxy shall be automatically revoked by the transfer of title to the "Lot" (as defined in the Declaration) to which it relates.

1.08 Action of Members Without a Meeting. Any action required or permitted to be approved by the Members may be approved without a meeting if one or more consents, in writing, setting forth the action so taken, shall be signed and dated by Members (including the Declarant, if the consent of the Declarant is required) holding the voting power required to pass such action at a meeting held on the record date for such action. The record date for such action shall be the date that the first Member signs a consent. Such action shall be approved when the Secretary receives a sufficient number of such consents dated within 70 days of the record date for such action. If less than unanimous consent is obtained, the approval shall be effective ten days after the Secretary gives written notice of the approval to all Members who did not sign a consent. Each signed consent shall be included in the minutes of meetings of Members filed in the permanent records of the Association.

1.09 Action By Written Ballot. Any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each Member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked. Approval by written ballot of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. The results of each action by written ballot shall be certified by the Secretary and shall be included in the minutes of meetings of Members filed in the permanent records of the Association.

ARTICLE II
DIRECTORS

2.01 Number and Qualifications of Directors. During the period that the Declarant has the right to appoint and remove the officers and directors of the Association as provided above, the Board of Directors shall consist of from one to three members as determined by Declarant in writing from time to time. Thereafter, the Board shall consist of not less than three members, who shall be elected as provided below, with at least one (1) member from each Neighborhood, who shall be elected as provided below. The number of members of the Board shall be increased if necessary by resolution of the Board so that there is always an odd number of members. Directors shall be natural persons who have attained the age of eighteen (18) years.

2.02 Election and Term of Office of Directors. The Declarant shall have the right to appoint and remove the members of the Board of Directors of the Association until such time as the first of the following events shall occur: (a) the expiration of ten (10) years after the date of the recording of the Declaration; (b) subject to the provisions of Section 3.7 of the Declaration, the date on which all Lots shall have been conveyed to Persons who have not purchased such Lots for the purpose of construction of a residence and resale of such Lot and residence; or (c) the surrender by Declarant of the authority to appoint and remove directors and officers by an express amendment to this Declaration executed and recorded by Declarant. Upon the expiration of the period of the Declarant's right to appoint and remove Directors and Officers of the Association pursuant to the provisions of this Paragraph and Section 3.7 of the Declaration, such right shall automatically pass to the Members. Thereafter, the members of the Board of Directors shall be elected by the majority vote of all Members in attendance at a duly-called meeting of Members at which such election takes place and at which a quorum is present; provided, however, each Neighborhood shall elect at least one (1) director, with the remaining directors to be elected at large. Each Director shall hold office for the term to which he is elected or appointed and until his successor shall have been elected or appointed and qualified or until his earlier resignation, removal from office or death.

2.03 Annual Meeting of Directors. The annual meeting of the Board of Directors shall be held immediately after the annual

meeting of Members, at the same place at which the annual meeting of Members was held, as a matter of course and without notice, for the transaction of any business which may be brought before the meeting.

2.04 Special Meetings of Directors. Special meetings of the Board of Directors shall be held at such place within the State of Georgia as shall be designated in the call of such meetings. Special meetings of the Board of Directors may be called by the President at any time, in his discretion, and must be called by the President whenever so requested in writing by any member of the Board of Directors.

2.05 Quorum. A quorum at any meeting of the Board of Directors shall consist of a majority of the members of the Board. Unless otherwise provided in the Articles of Incorporation of the Association, these Bylaws or the Declaration, a majority of those present at any meeting at which a quorum is present may decide any questions which may come before any meeting.

2.06 Removal of Directors. Any Director may be removed, with or without cause, by the Declarant during the period of time when the Declarant has the right to appoint and remove Directors in accordance with Section 3.7 of the Declaration, and, thereafter, by a majority of the votes entitled to be cast by those Members who are present in person or by proxy and voting at a special meeting at which a quorum is present.

2.09 Compensation of Directors. No Director shall receive compensation for any service he may render to the Association as a Director; however, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director.

ARTICLE III OFFICERS

3.01 Designation of Officers. The Officers of the Association shall be appointed by the Board of Directors, and shall consist of a President, a Secretary, a Treasurer, and such additional Officers, if any, as the Board of Directors may see fit to appoint at any time or from time to time. Each Officer shall serve at the pleasure of the Board of Directors at any time, with or without cause. Notwithstanding the foregoing, the Declarant

shall have the right to appoint and remove Officers of the Association in accordance with Section 3.7 of the Declaration.

3.02 The President. The President shall be the chief executive officer of the Association and, subject to the direction and control of the Board of Directors, shall have general and active supervision and charge of all activities of the Association.

3.03 The Secretary. The Secretary shall keep minutes of all meetings of the Members and Directors, shall have charge of the register of Members, and shall perform such other duties and have such other powers as may from time to time be delegated to him by the President or by the Board of Directors.

3.04 The Treasurer. The Treasurer shall be charged with the management of the finances of the Association; shall have the custody and care of all funds of the Association; shall keep, or cause to be kept, full and accurate books of account and records of all fiscal and financial transactions of the Association; and shall cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year.

ARTICLE IV SEAL

4.01 Corporate Seal. The corporate seal of the Association shall have inscribed thereon the name of the Association and the words "Corporate Seal" and shall otherwise be in the form adopted by the Board of Directors.

ARTICLE V MISCELLANEOUS

5.01 The Declaration. All provisions contained in the Declaration with regard to the rights, powers and duties of the Association, the Members, the Board of Directors and the Declarant are hereby incorporated into these Bylaws by this reference, with the same effect as if such provisions were fully set forth herein. Defined terms used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit.

5.02 Committees.

(a) General. The Board of Directors may from time to time establish such committees as it deems advisable, and the members of such committees shall be appointed by the Board of Directors, and shall serve subject to the will of the Board of Directors. Except as provided in Subsection (b) below with regard to the Architectural Control Committee, any members of any such committee may be removed from office at any time by the Board of Directors, with or without cause. A committee shall keep regular minutes of its proceedings, and report the same to the Board of Directors for the Board's information at the Board meeting thereof held next after the proceedings shall have occurred.

(b) Architectural Control Committee. An Architectural Control Committee shall be established and shall operate in the manner provided in the Declaration. Following the expiration of the Declarant's right to appoint the members of the Architectural Control Committee pursuant to Section 5.1.2 of the Declaration, the Board of Directors shall have the right to appoint and to remove members of the Architectural Control Committee at any time with or without cause.

(c) Neighborhood Committee. Upon written request of two-thirds (2/3%) of the Owners of Lots or Units, as the case may be, in a Neighborhood or upon written request of the board of directors of a Neighborhood Association, as the case may be, the Board shall establish a Neighborhood Committee to advise the Board of particular issues pertaining to such Neighborhood determined important by the Owners thereof and to act as liaison between the Board and such Owners. Each Neighborhood Committee shall consist of from one (1) to three (3) members who shall be elected by the Owners in such Neighborhood or, in the event that a Neighborhood is under the jurisdiction of a Neighborhood Association, who shall be appointed by the board of directors of such Neighborhood Association. In any event, the members of the Neighborhood Committee shall be chosen from among the Owners in said Neighborhood to serve in such capacity. No Neighborhood Committee established hereunder shall be empowered to take any affirmative action. Each Neighborhood Committee shall elect a chairperson to act as the presiding officer of said committee from its members. Meetings of each Neighborhood Committee shall be duly held and constituted in the same manner and under the same procedures and requirements as special meetings of the Board as provided herein; provided, however, each Neighborhood

Committee may fix its own rules of procedure which shall not be inconsistent with these Bylaws.

5.03 Books and Records. The books and records of the Association shall at all times, during reasonable business hours, be open for inspection by any Member of the Association.

5.04 Interpretation. In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

5.05 Indemnification. In accordance with Section 14-3-110 of the Georgia Nonprofit Corporation Code, and to the full extent allowed in Section 14-2-851 of the Georgia Business Corporation Code, and in accordance with the provisions contained therein, the Association shall indemnify every person who was or is a party or who is threatened to be made a party to any threatened, pending, or contemplated action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was serving as a director or officer of the Association against any and all expenses, including attorneys' fees, imposed upon or reasonably incurred in connection with any action, suit, or proceeding, if such person acted in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Association only as authorized (as provided in Section 14-3-110 of the Georgia Business Corporation Code) in a specific case upon a determination that indemnification of the Person is proper under the circumstances. The right to indemnification conferred by this Section shall not restrict the power of the Association to make any indemnification permitted by law.

ARTICLE VI AMENDMENTS

6.01 Amendments of Bylaws. The Board of Directors shall have the power to alter, amend or repeal any of the Bylaws or to adopt new Bylaws by the affirmative vote of a majority of all of the Directors, but any Bylaws adopted by the Board of Directors may be altered, amended or repealed and new Bylaws adopted by the

affirmative vote of at least two-thirds (2/3) of the total number of votes of all the Members. The Members may prescribe in any Bylaw adopted by them that such Bylaw shall not be altered, amended or repealed by the Board.

6.02 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant without the prior written consent of the Declarant. No amendment that is in conflict with the Articles of Incorporation or the Declaration shall be adopted.

P:\Clients\1719\St. Michaels Bay\Bylaws v.3.doc

AFTER FILING PLEASE RETURN TO:

lit **Marks & Williams, LLC**
7390 McGinnis Ferry Road, Suite 200
Suwanee, GA 30024



Doc ID: 003807140026 Type: GLR
Filed: 09/15/2006 at 02:29:19 PM
Fee Amt: \$60.00 Page 1 of 26
Forsyth County, GA
Douglas Sorrells Clerk Superior Ct
BK **4447** PG **162-187**

After recording, please return to:
David N. Dorough, Jr.
Dorough & Dorough, LLC
Two Decatur TownCenter
125 Clairemont Avenue, Suite 520
Decatur, Georgia 30030
(404) 687-9977

CROSS REFERENCE: Deed Book: 4132
Page: 465

**SUPPLEMENTARY DECLARATION OF COVENANTS, RESTRICTIONS
AND EASEMENTS FOR ST. MICHAELS BAY
AND FIRST AMENDMENT TO THE DECLARATION OF COVENANTS,
RESTRICTIONS
AND EASEMENTS FOR ST. MICHAELS BAY**

**THIS SUPPLEMENTARY DECLARATION OF COVENANTS, RESTRICTIONS
AND EASEMENTS FOR ST. MICHAELS BAY AND FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR ST.
MICHAELS BAY** (hereinafter referred to as "Supplementary Declaration") is made this
9TH day of SEPTEMBER 2006 by **ST. MICHAELS BAY PARTNERS, L.P.**, a
Georgia limited partnership (hereinafter referred to as "Declarant") and **PEACHTREE
RESIDENTIAL PROPERTIES, INC.**, a Georgia corporation (hereinafter referred to as
"Approved Builder").

WITNESSETH

WHEREAS, Declarant executed that certain Declaration of Covenants, Restrictions and
Easements for St. Michaels Bay, which was recorded on January 18, 2006 in Deed Book 4132,
Pages 465-544, Forsyth County, Georgia records, (hereinafter as supplemented and/or amended
from time to time, the "Declaration"); and

WHEREAS, pursuant to Section 9.3 of the Declaration, the Declaration may be amended
upon approval by a Two-Thirds Vote; and

WHEREAS, Article I, Section 1.24 of the Declaration provides that Declarant may
designate separate Neighborhood status in the Declaration or in one or more Supplementary
Declarations describing the property which shall constitute all or part of such Neighborhood; and

WHEREAS, Declarant and Approved Builder, in the aggregate, are the Owners of at least two-thirds (2/3) of the Lots in the Subdivision and constitute a Two-Thirds Vote as contemplated in the Declaration; and

WHEREAS, Declarant and Approved Builder desire to amend the Declaration as set forth herein;

NOW THEREFORE, the undersigned Declarant and Approved Builder hereby adopt this Supplementary Declaration, hereby declaring that all the property now or hereafter subject to the Declaration shall be held, conveyed, encumbered, used, occupied and improved subject of the Declaration, amended as follows:

Article I
Designation of Neighborhood

Pursuant to Section 1.24 of the Declaration, the following described property is designated as the "Anchorage Neighborhood":

ALL THAT TRACT OR PARCEL OF LAND LYING and being in Land Lots 646 and 647 of the 14th District, 1st Section of Forsyth County, Georgia, being designated as **Lots 16, 17, 18, 19, 20, 21, 22, 23, 24 and 25**, as more particularly shown on that certain **Final Subdivision Plat for St. Michaels Bay at Phase 1-B**, dated September 2, 2005, prepared by Rochester & Associates, Inc., containing the seal of Frederick C. Youngman, Georgia Registered Land Surveyor No. 2160, filed and recorded December 19, 2005, at Plat Book 96, pages 173-194, Forsyth County, Georgia land records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

Article II
Additional Neighborhood Use Restrictions and Easements

The additional use restrictions and easements, if any, set forth on Exhibit "A" attached hereto and by this reference incorporated herein shall be binding on all Owners and Occupants of Units, their guests and invitees in the Anchorage Neighborhood in addition to the use restrictions and easements contained in the Declaration.

Article III
Amendments to the Declaration

A.

The Declaration is hereby amended at Article I thereof, entitled "Definitions", by deleting Sections 1.13, 1.16, 1.19, 1.20, 1.21, 1.24, 1.25, 1.29 and 1.39 in their entirety and replacing them with new Sections, respectively, and by adding to the end of Article I new Sections 1.40, 1.41 and 1.42, all as follows:

1.13 "Common Property" shall mean all real and all personal property in which the Association owns an interest for the common use and enjoyment of the "Owners", including, without limitation, Limited Common Property as that term is herein defined. Said interest or interests may include, without limitation, estates in fee, estates for a term of years, licenses, usufructs or easements.

1.16 [RESERVED]

1.19 [RESERVED]

1.20 [RESERVED]

1.21 [RESERVED]

1.24 "Neighborhood" means each separately developed and denominated area within the Subdivision, whether or not governed by a Neighborhood Association (as defined below), in which the Owners of Lots may have common interests other than those common to all members of the Association. Separate Neighborhood status shall be designated on Exhibit "A" hereof or in one or more Supplementary Declarations describing the property which shall constitute all or part of such Neighborhood. By way of illustration and not limitation, a townhouse development, cluster home development, single-family detached housing development or condominium development might each be designated as a separate Neighborhood. Declarant or an Approved Builder with the consent of Declarant shall have the right to designate separate Neighborhood status and change the Neighborhood status of any previously designated Neighborhood for any property in the Subdivision. A Neighborhood may (but is not required to) have a separate incorporated mandatory membership Neighborhood Association. Any Neighborhood may request that the Association provide a higher level of service or special services for the benefit of Lots in such Neighborhood, as the case may be, and, upon the affirmative vote, written consent, or a combination thereof, of Owners of two-thirds (2/3) of such Lots within the Neighborhood, the Association may, in its sole discretion, provide the requested services. The cost of such services, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided any such administrative charge shall apply at a uniform rate per Lot, as the case may be, to all Neighborhood receiving the same service), shall be assessed against the Lots, as the case may be, within such Neighborhood as a Neighborhood assessment hereunder.

1.25 "Neighborhood Assessment" means Assessments levied on all Lots in a Neighborhood to fund the estimated expenses expected to be incurred by the Association for the primary benefit of such Lots within such Neighborhood, as more particularly described in Section 4.12 hereof.

1.29 "Owner" shall mean the record owner (including Declarant), whether one or more Persons or entities, of the fee simple title to any Lot; provided, however, that where record title has been transferred and is being held merely as security for the repayment of a loan, the Person or entity who would own the Lot in fee simple if such loan were paid in full shall be considered the Owner.

1.39 "Corps of Engineers" means and refers to the U.S. Army Corps of Engineers, its successors and assigns, and any agents or representatives thereof.

1.40 "Dock" or "Docks" shall mean the Common Property dock(s), if any, owned and maintained by the Association pursuant to the Permit, as the same may be more particularly described in Section 13.2 of this Declaration.

1.41 "Limited Common Property" means any portion of the Common Property reserved for the exclusive use and enjoyment or primary benefit of a limited number of Owners in the Community. Limited Common Property may be initially designated as such and the exclusive use thereof shall be assigned in the deed by which the Limited Common Property is conveyed to the Association, in a Supplementary Declaration and/or on the subdivision plat relating to such Limited Common Property and, with regard to use of the Docks, as provided in this Declaration. By way of illustration and not limitation, the Dock adjacent to the separately designated Anchorage Neighborhood designated herein is reserved for the exclusive use of the Owners of Lots in that Neighborhood and is Limited Common Property thereof. All costs associated with maintenance, repair, replacement and insurance of Limited Common Property shall be assessed against the Owners of Lots to which the Limited Common Property is assigned, either as a Neighborhood Assessment or a Specific Assessment, as applicable; provided, however, except as otherwise specifically provided in the Declaration, costs and expenses incurred by the Association for maintenance, repair, replacement and insurance of the Common Property pursuant to the Declaration shall not be included in any such Neighborhood Assessment or Specific Assessment.

1.42 "Permit" means and refers to that certain Shoreline Use Permit/License Number C00175, for the Docks and adjacent shoreline which are adjacent to and abut the Subdivision issued on July 11, 2005, by the Corps of Engineers.

B.

The Declaration is hereby amended by adding to the end of Article I, Section 2.2, entitled "Right of Enjoyment", a new sentence to read as follows:

In addition to the foregoing, the rights and privileges conveyed in this Section 2.2 shall be subject to the rights of certain Owners to the exclusive use, access and enjoyment of those portions of the Common Property designated as "Limited Common Property" as more particularly described herein.

C.

The Declaration is hereby amended at Article IV, Section 4.2, entitled "Purpose of Assessments", to delete the words "including, without limitation, any debts and liabilities incurred pursuant to the Easement and Cost Sharing Agreement", so that as amended Article IV, Section 4.2 reads as follows:

4.2 Purpose of Assessment. The Assessments levied by the Association shall be used exclusively for the purpose of providing for the common good and general welfare of the inhabitants of the Subdivision, including, but not limited to, security services and systems, the acquisition, construction, improvement, maintenance and equipping of Common Property, the performance of all duties and obligations of the Association imposed upon or assumed by the Association (whether relating to the Common Property or other property), the enforcement of the Restrictions, the enforcement of the Design Standards, the payment of operating costs and expenses of the Association and the payment of all principal and interest when due on all debts owed by the Association. The funds necessary to cover any deductible or exclusion under an insurance policy purchased by the Association for losses, damages or claims made or incurred which pertain to the Common Property shall be raised through Assessments.

D.

The Declaration is hereby amended at Article IV, Section 4.12, entitled "Neighborhood Assessments", to delete references to the term "Unit" so that, as amended, Article IV, Section 4.12 shall read as follows:

4.12 Neighborhood Assessments. The Association may levy assessments against the property in a particular Neighborhood to fund actual and estimated expenses incurred by the Association for the primary benefit of property within such Neighborhood, including without limitation, maintenance required to be performed by the Association with respect to property within such Neighborhood; provided, however, except as otherwise specifically provided in the Declaration, costs and expenses incurred by the Association for maintenance, repair, replacement and insurance of the Common Property pursuant to the Declaration shall not be included in a Neighborhood assessment hereunder. Neighborhood assessments shall be levied as specifically budgeted from time to time by the Board of Directors pursuant to this Declaration. In addition, the Board shall levy a Neighborhood assessment for any costs and expenses incurred by the Association in providing any higher level of service or special services for the benefit of Lots in such Neighborhood as requested thereby or otherwise upon the request of the Owners holding two-thirds (2/3) of the Total Association Vote applicable to Lots within a Neighborhood.

E.

The Declaration is hereby amended by deleting Article VI, Section 6.29, entitled "Marina", in its entirety and replacing it with the following:

6.29 [RESERVED]

F.

The Declaration is hereby amended by deleting Article VII, Section 7.5, entitled "Easements for Access to Marina", in its entirety and replacing it with a new Article VII, Section 7.5, entitled "Easement for Access to Docks", to read as follows:

7.5 Easements for Access to Docks. All Persons having the right of use of all or any portion of the Docks in accordance with the provisions of this Declaration or by virtue of any agreement described herein (regardless of whether such Persons are Owners thereunder), and their guests and invitees, shall at all times have a right and non-exclusive easement of access to and use of all roadways within the Subdivision reasonably necessary to travel from any entrance to the Subdivision to the Docks, and vice versa, which easement shall be subject to the rights of certain Owners to the exclusive use, access and enjoyment of those portions of the Common Property designated as "Limited Common Property" as more particularly described herein.

G.

The Declaration is hereby amended at subsection (b) of Article VII, Section 7.6, entitled "Easements for Declarant and Pedestrian Access to Lake" by adding the words " which easements shall be subject to the rights of certain Owners to the exclusive use, access and enjoyment of those portions of the Common Property designated as 'Limited Common Property' as more particularly described herein" so that, as amended, Article VII, Section 7.6(b) reads as follows:

(b) Declarant hereby expressly reserves perpetual pedestrian easements for access to Lake Lanier and/or the U.S. Army Corps of Engineers shoreline thereof adjacent to the Subdivision for the benefit of Declarant, its affiliates, the Association and the Owners, over the private streets and walkways in the Subdivision and as may be more particularly shown on the plat(s) for the Subdivision recorded by the Declarant in the land records of the county where the property containing such easements is located, which easements shall be subject to the rights of certain Owners to the exclusive use, access and enjoyment of those portions of the Common Property designated as "Limited Common Property" as more particularly described herein.

H.

The Declaration is hereby amended at Article X, Section 10.4, entitled "Additional Covenants, Restrictions and Easements", to delete references to the term "Unit" so that, as amended, Article X, Section 10.4 shall read as follows:

10.4 Additional Covenants, Restrictions and Easements. Declarant may require the Owner of any portion of the Subdivision to subject such property to additional covenants, conditions, restrictions and easements, including covenants obligating the Owners of Lots within a designated Neighborhood to be mandatory members of a separately incorporated Neighborhood Association, in addition to the Association, to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by such Neighborhood Association through Neighborhood Assessments. Such additional covenants, conditions, restrictions and easements may be set forth in a Supplementary Declaration or a separate declaration of protective covenants, declaration of condominium or other document filed either concurrent with or after the annexation of the subject property. Any such document filed by the Declarant may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property. No Person shall record any declaration of covenants, conditions and restrictions, declaration of condominium, easement, or similar instrument without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Forsyth County, Georgia land records. No such instrument recorded by any Person, other than the Declarant pursuant to this section, may conflict with the Declaration, Bylaws or Articles.

I.

The Declaration is hereby amended by adding after the end of Article XII a new Article XIII, entitled "Permit, Dock, Lake and Boat Provisions", to read as follows:

Article XIII
Permit, Dock and Boat Provisions

13.1 Corps of Engineers Permit.

(a) General. The portion(s) of the Docks located within and above Lake Sidney Lanier and the shoreline thereof consists of property of or under the jurisdiction of the Corps of Engineers and subject to the Permit, the provisions of this Declaration, and any further rules and regulations of any governmental entity or agency having jurisdiction thereover, including without limitation any additional rules and regulations associated with the Permit as are established by the Corps of Engineers from time to time. THE DOCKS ARE SUBJECT TO A

SHORELINE USE PERMIT / LICENSE ISSUED BY THE CORPS OF ENGINEERS, WHICH PERMIT CURRENTLY EXPIRES ON EXPIRES ON AUGUST 1, 2010. THUS, PERSONS WHO ACQUIRE RIGHTS TO USE A BOATSLIP ACQUIRE ONLY A RIGHT TO USE SUCH BOATSLIP SUBJECT TO THESE POLICIES AND SUCH LICENSE ISSUED BY THE CORPS OF ENGINEERS. PERSONS WHO ACQUIRE RIGHTS TO USE A BOATSLIP SHALL NOT ACQUIRE ANY, AND SHALL NOT HAVE ANY, OWNERSHIP OR PROPRIETARY INTEREST, BENEFICIAL INTEREST, OR ANY OTHER VESTED INTEREST WHATSOEVER IN LAKE SIDNEY LANIER OR THE ADJACENT CORPS OF ENGINEERS SHORELINE. THE ASSOCIATION INTENDS TO REQUEST RENEWAL OF SUCH LICENSE FOR SUCCESSIVE FIVE (5) YEAR TERMS. THE DECLARANT, APPROVED BUILDER AND ASSOCIATION EXPECT, BUT DO NOT GUARANTEE, THAT THE LICENSE WILL BE RENEWED UPON REQUEST. THE ASSOCIATION IS (OR IS INTENDED TO BE) THE PERMITTING ENTITY AND HEREBY ACCEPTS AND SHALL PERFORM ALL RESPONSIBILITIES AND OBLIGATIONS OF THE HOLDER OF THE PERMIT, IF ANY.

DECLARANT, APPROVED BUILDER, THE ASSOCIATION AND THE OFFICERS AND DIRECTORS OF ANY OF THEM SHALL NOT BE RESPONSIBLE OR OTHERWISE LIABLE IF THE PERMIT OR LICENSE IS NOT RENEWED OR IS OTHERWISE TERMINATED BY THE CORPS OF ENGINEERS.

(b) Indemnification. The Association and each Owner agree to and do hereby release and agree to save and hold the federal government, including, without limitation, the Corps of Engineers ("Government"), harmless from any and all causes of action, suits at law or equity, or claims or demands or from any liability of any nature whatsoever for or on account of any damages to persons or property, including the Docks, arising out of the ownership, construction, operation or maintenance by the Association or an Owner, as the case may be, of the Docks subject to the Permit and/or any activities engaged in thereon.

(c) Navigation; Public Waters. Ownership, construction, operation, use and maintenance of the Docks are subject to the Government's navigation servitude. No attempt shall be made by the Association or any Owner to forbid the full and free use by the public of all public waters and/or lands at or adjacent to the Docks or to unreasonably interfere in any nature whatsoever for or on account of any damages to persons or property, including any portion of the Docks, growing out of the ownership, construction, operation or maintenance by the Association or an Owner of the Docks and/or any activity engaged in thereon.

(d) Relocation. The Association and each Owner agree that if subsequent operations by the Government require an alteration in the location of any portion of the Docks and/or any activity engaged in thereon or if in the

opinion of the Corps of Engineers any portion of the Docks and/or any activity engaged in thereon shall cause unreasonable obstruction to navigation or that the public interest so requires, the Association shall be required, upon written notice from the District Commander to remove, alter, or relocate the portion of the Docks, without expense to the Government. The Government shall in no case be liable for any damage or injury to the permitted facility which may be caused by or result from subsequent operations undertaken by the Government for the improvement of navigation or for other lawful purposes, and no claims or right to compensation shall accrue from any such damage. This includes any damage that may occur to private property if any portion of the Docks, including, without limitation, a boatslip or portion thereof, is removed for noncompliance with the conditions of the permit.

(e) Applicable Law; Prohibited Activities and Facilities.

Ownership, construction, operation, use and maintenance of the Docks and/or any activity engaged in thereon are subject to all applicable federal, state and local laws and regulations. Failure to abide by these applicable laws and regulations may be cause for revocation of the Permit. All activities/facilities must conform to the Permit and the policies of the project Shoreline Management Plan covering the Docks. Activities and facilities not expressly authorized by the Permit or by Title 36 of the Code of Federal Regulations are prohibited.

(f) Minimization of Adverse Impact. Further, the Association and each Owner agree to operate and maintain the Docks and/or any activity engaged in thereon in a manner so as to provide safety, minimize any adverse impact on fish and wildlife habitat, natural, environmental, or cultural resources values and in a manner so as to minimize the degradation of water quality.

(g) Limited Use. The use of the Docks being boat dock facilities shall be limited to the mooring of the Association's and each Owner's vessel(s) or watercraft and the storage, in enclosed locker facilities, of any gear essential to the operation of such vessel(s) or watercraft, all as provided herein. Neither the Docks or any portion thereof nor any houseboat, cabin cruiser, or other vessel moored thereto shall be used as a place of habitation or as a full or part-time residence or in any manner which gives the appearance of converting the public property, on which the facility is located, to private use. No portion of the Docks, including without limitation, any boatslip, shall be leased, rented, sub-let or provided to others by means of engaging in commercial activity(s) by the Association, any Owner(s) or the agent of any of them for monetary gain.

(h) Floats and the flotation material. Floats and the flotation material for all docks and boat mooring buoys shall be fabricated of materials manufactured for marine use. The float and its flotation shall be 100% warranted for a minimum of 8 years against sinking, becoming waterlogged, cracking, peeling, fragmenting, or losing beads. All floats shall resist puncture and penetration and shall not be subject to damage by animals under normal

conditions for the area. All floats and the flotation material used in them shall be fire resistant. Any float which is within 40 feet of a line carrying fuel shall be 100% impervious to water and fuel. The use of new or recycled plastic or metal drums or non-compartmentalized air containers for encasement or floats is prohibited. Existing floats are authorized until it or its flotation material is no longer serviceable, at which time it shall be replaced with a float that meets the conditions listed above. For any floats installed after the effective date of this specification (July 1, 1998), repair or replacement shall be required when it or its flotation material no longer performs its designated function or it fails to meet the specifications for which it was originally warranted.

(i) Inspection. All portions of the Docks and any activity engaged in thereon are subject to periodic inspection by authorized Corps of Engineers representatives. The permit display tag shall be posted on the Docks so that it can be visually checked with ease. The Operations Manager of the Corps of Engineers or his/her authorized representative shall be allowed to enter upon and cross the Subdivision and the Docks, as necessary, to inspect facilities and/or activities under Permit.

(j) Vegetation; Changes in the Land; Improvements. No vegetation other than that authorized by the Permit shall be damaged, destroyed or removed. No vegetation of any kind shall be planted, other than that specifically described in the Permit. No change in land such as grading, excavation or filling is authorized by the Permit. Diving boards, platforms, or similar structures are prohibited. Suspended boat hoists are prohibited without the express written authorization of the Corps of Engineers and the Architectural Control Committee.

(k) Conflict. Notwithstanding anything in this Declaration to the contrary, in the event of conflict between or among any covenants and restrictions in this Article XIII, Section 13.1, and any other provisions of the Declaration, Bylaws, Articles of Incorporation or the rules and regulations, policies, or practices adopted or carried out pursuant to any of them, the more restrictive provision shall control.

13.2 Docks. Two Docks are constructed or are intended to be constructed on a portion of Lake Lanier and/or the U.S. Army Corps of Engineers shoreline thereof adjacent to the Subdivision for use by Owners as provided herein. The Docks are (or are intended to be) Common Property comprised of separate boatslips each intended for individual exclusive use as a docking facility for marine vessels. Except as specifically provided herein, no Owner or Occupant shall have any right, easement or privilege in and to the Docks or the amenities or improvements contained therein, including the right to enter upon or use the Docks, except under such conditions and requirements as are herein provided and as may be established by the Association from time to time.

(a) Anchorage Boat Dock. The Dock adjacent to the Anchorage Neighborhood (said Dock is hereinafter referred to as the "Anchorage Boat Dock"), if any, is designated as Limited Common Property reserved for the exclusive use of the Owners of Lots in the Anchorage Neighborhood.

(b) Community Dock.

(i) General. Access to and use of the Dock originally intended to be located adjacent to the community amenity area (hereinafter referred to as the "Community Dock"), if any, and any boatslips therein (said boatslips hereinafter referred to individually as "Community Dock Boatslip" and collectively as "Community Dock Boatslips"), are strictly subject to the rules and procedures of the Association adopted by the Board, to the provisions of this Declaration, and to any contracts entered into by the Association and/or Peachtree Residential Properties, Inc., a Georgia corporation (hereinafter referred to as "Approved Builder"); and no Person gains any ownership interest in, or any right to enter or use, any such Community Dock or Community Dock Boatslip solely by virtue of membership in the Association or ownership or occupancy of a Lot. Rights to use any such Community Dock and Community Dock Boatslip will be granted only to such Persons, and on such terms and conditions, as determined by the Association, Declarant and/or Approved Builder all as provided herein.

Community Dock Boatslips, if any, shall be a part of the Common Property, but each Community Dock Boatslip may be designated as Limited Common Property and reserved for the exclusive use or primary benefit of a Lot Owner or certain other Person(s) (Carter, Claiborne and Driver, as set forth below), as Declarant, Approved Builder and/or the Board may see fit, all in a manner set forth herein and in accordance with rules and regulations of the Association adopted by the Board governing any such Community Dock. Community Dock Boatslip assignments for the Community Dock shall be shown on the Association records.

(ii) Assignment and Reassignment.

(A) By Approved Builder. For so long as Approved Builder owns at least one (1) Lot in the Subdivision, Approved Builder shall have the unilateral right, privilege, and option to assign any Community Dock Boatslip not previously assigned to a Lot in the Subdivision or to reassign any Community Dock Boatslip previously so assigned with the consent of the Owner(s) of the Lot to which such Community Dock Boatslip is currently assigned. Upon request by the Approved Builder, the Board of Directors of the Association shall cause the fact of such assignment or reassignment to be evidenced and entered in the records of the Association. In addition to the foregoing, for so long as Approved Builder owns at least one (1) Lot in the Subdivision, Approved Builder shall have the unilateral right, privilege, and option to reserve exclusive rights to use and enjoy Community Dock Boatslips for

acquisition by Owners of specific Lots, for specific phases of the development of the Subdivision and/or for the exclusive use or primary benefit of a Lot Owner or Carter, Claiborne or Driver, and to approve or disapprove and rules and regulations of the Association associated with use of any Community Dock, all on such terms and conditions, as Approved Builder sees fit in its sole and absolute discretion.

(B) By the Association. At such time as Approved Builder no longer owns at least one (1) Lot in the Subdivision, any assignment or reassignment of a Community Dock Boatslip shall be made only upon written application to the Association by the Owner(s) of the Lot seeking to have the Community Dock Boatslip assigned thereto as a Limited Common Element and, if the Community Dock Boatslip is then assigned to a Lot, the Owner(s) of the Lot to which the Community Dock Boatslip is currently assigned. Upon request by the Owner(s) required hereunder, the Board of Directors of the Association shall cause the fact of such assignment or reassignment to be evidenced and entered in the records of the Association. All reasonable costs for the preparation, execution, and recordation of documentation effecting the assignment or reassignment and any reasonable administrative fee associated therewith may be assessed as a specific assessment against the Owner(s) of the Lot(s) benefited by said assignment or reassignment.

(C) By Virtue of Conveyance of a Lot. Upon the conveyance of title to a Lot in the Subdivision, all easements, rights and privileges set forth herein with respect to the Community Dock and any Community Dock Boatslip assigned to that Lot as a Limited Common Element, if any, shall automatically transfer to the new Owner(s) of such Lot. Upon receipt of notice of such conveyance of title to a Lot in the Subdivision, the Board of Directors of the Association shall, as necessary, cause the fact of such conveyance and the corresponding transfer of rights in and to the appropriate Community Dock Boatslip to be evidenced and entered in the records of the Association.

(D) Carter, Claiborne and Driver Community Dock Boatslips.

(1) Carter and Claiborne. As set forth in that certain Agreement by and among James Anderson Carter and Janice Goodfellow Carter (hereinafter referred to as "Carter"), Thomas S. Claiborne, Jr. and Ruth F. Claiborne (hereinafter referred to as "Claiborne") and St. Michaels Bay Partners, L.P., dated August 30, 2004 and recorded in Book 3450, pages 363-380, in the Office of the Clerk of Superior Court of Forsyth County, Georgia, one (1) Community Dock Boatslip shall be reserved for the exclusive use and primary benefit of Carter and one (1) Community Dock Boatslip shall be reserved for the exclusive use and primary benefit of Claiborne; provided, however that, except in connection with liability relating to the negligent acts or omissions of Carter or Claiborne or the respective guests, as the case may be: (i) Carter, for himself, but

not for his successors-in-title to the Carter Lot, shall not be required to pay either any fee, dues or assessments associated with use of said Community Dock Boat slip for so long as Carter owns the Carter Lot, and (ii) Claiborne, for himself, but not for his successors-in-title to the Claiborne Lot, shall not be required to pay either any fee, dues or assessments associated with use of said Community Dock Boat slip for so long as Claiborne owns the Claiborne Lot. The terms Carter Lot and Claiborne Lot shall mean the respective Lots as defined in said Agreement.

(2) Driver. As set forth in that certain Option Agreement by and among Phillip A. Driver (hereinafter referred to as "Driver") and St. Michaels Bay Partners, L.P., dated August 2, 2004, two (2) Community Dock Boat slips shall be reserved for the exclusive use and primary benefit of Driver; provided, however that, except in connection with liability relating to the negligent acts or omissions of Driver or his guests, as the case may be, Driver, for himself, but not for his successors-in-title to the Driver Parcel, shall not be required to pay either any fee, dues or assessments associated with use of said Community Dock Boat slips for so long as Driver owns the Driver Parcel. The term Driver Parcel shall mean the real property owned by Driver located adjacent to the Subdivision as defined in said Agreement.

(3) Transfer, Sale and Assignment. The respective rights of Carter, Claiborne and Driver in and to Community Dock and any Community Dock Boat slip as described hereinabove shall be transferable as provided herein for transfer of rights to a Community Dock Boat slip. Upon the conveyance of title to the Carter Lot, Claiborne Lot or Driver Parcel, described above, all easements, rights and privileges set forth herein with respect to the Community Dock and any Community Dock Boat slip assigned to such property, if any, shall automatically transfer to the new Owner(s) of such property, as the case may be. Upon receipt of notice of such conveyance of title to such property or other such transfer of rights in and to a Community Dock Boat slip, the Board of Directors of the Association shall, as necessary, cause the fact of such conveyance and the corresponding transfer of rights in and to the appropriate Community Dock Boat slip to be evidenced and entered in the records of the Association. The Board may, in its sole discretion, charge a non-refundable administrative fee for evidencing the fact of any such conveyance and the corresponding transfer of rights.

(iii) Successors and Assigns. All of the easements, rights, obligations and privileges set forth herein with respect to the Community Dock, if any, shall be appurtenant to and shall run with the title to the Lots in the Subdivision, perpetually. Any conveyance of all or any portion of a Lot shall also convey the rights, privileges, duties and obligations contained in this Declaration regardless of whether or not specific mention is made of this Declaration and regardless of whether or not a specific conveyance is made of, or subject to, the rights, privileges, duties and obligations herein; provided, however, as provided in the Declaration, the Owner conveying the Lot shall nevertheless remain as fully

obligated as before to pay to the Association any and all amounts which such Owner was obligated to pay immediately preceding the conveyance. Upon conveyance of a Lot by an Owner, all easements, rights and privileges of such Owner associated with the Community Dock shall terminate.

(iv) No Representations or Warranties. All Persons, including all Owners, are hereby advised that no representations or warranties, either written or oral, have been or are made by Declarant, Approved Builder or any other Person with regard to the nature or size of the improvements, or to the continuing ownership or operation, of any such Community Dock or any portion thereof, including, without limitation, any Community Dock Boatlip. No purported representation or warranty, written or oral, with regard to such Community Dock or any Community Dock Boatlip shall ever be effective without an amendment hereto executed or joined into by Declarant, Approved Builder and the Association.

(c) Costs and Expenses of Maintenance and Operation. Except as specifically provided herein with regard to Carter, Claiborne and Driver, a pro-rata share of any and all costs and expenses of the Association associated with the operation, insurance, maintenance, repair and replacement of the Docks shall be assessed against the Owners of Lots to which exclusive rights to use a boatslip in the Docks have been granted, either as a Neighborhood Assessment or a Specific Assessment, as applicable, with any remaining expenses being assessed among all Lots in the Subdivision as part of the general assessment pursuant to Article IV of this Declaration.

(d) Rules and Regulations; Conflict. Use of the Docks, if any, shall be subject to such reasonable rules and regulations promulgated from time to time by the Board of Directors, and consented to by Approved Builder for so long as Approved Builder owns at least one (1) Lot in the Subdivision, and to the rights of certain Owners to the exclusive use, access and enjoyment of those portions of the Community Dock designated as "Limited Common Property" as more particularly described herein. In no event shall any person conduct any business or business activity or for use of the Docks or any portion thereof for commercial purposes. In the event of conflict between or among the provisions of this Declaration and any rules and regulations adopted under, the provisions of the Declaration shall control.

(e) Private Boatlip Privileges Held By Entities. If an Owner is a corporation, partnership, limited liability company, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the individual(s) who will be entitled to use of such Owner's designated Boatlip, if any. The designated individual(s) to use such Owner's designated Boatlip may not be changed more frequently than once every six (6) months.

13.3 Boats. Access to and use and storage of boats, if any, from and on the Docks shall be strictly subject to the provisions of the Permit, the Declaration and any applicable rules and regulations, use restrictions and design guidelines of the Association, as the same may be adopted and/or modified from time to time, in addition to any rules and regulations of any governmental entity or agency having jurisdiction thereof.

Article IV
Definitions

Unless otherwise defined herein, the words used in this Supplementary Declaration shall have the same meaning as set forth in the Declaration.

Article V
Effective Date

This Supplementary Declaration shall be effective only upon being recorded in the records of the Clerk of Superior Court of Forsyth County, Georgia.

Article VI
Scope of Modification

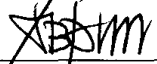
Except as herein modified, the Declaration shall remain in full force and effect.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have hereunto caused this Supplementary Declaration to be executed under seal as of the day and year first above written.

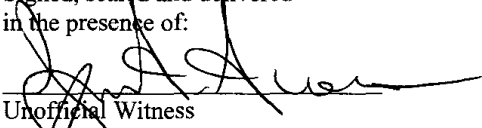
DECLARANT: ST. MICHAELS BAY PARTNERS, L.P., a
Georgia limited partnership

By: Portofino Management Corp., a Georgia
corporation, as its sole general partner

By: 
Name: Alec B. Rickenbaker, Vice President

[AFFIX CORPORATE SEAL]

Signed, sealed and delivered
in the presence of:


Unofficial Witness


Notary Public

My Commission Expires:

9/20/09

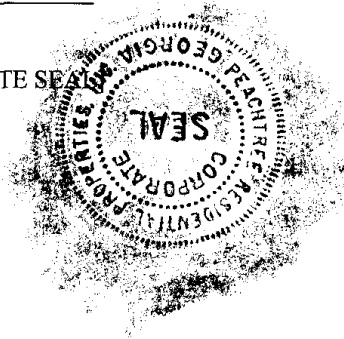
[NOTARY SEAL]



APPROVED BUILDER: PEACHTREE RESIDENTIAL PROPERTIES,
INC. a Georgia corporation

By: *[Signature]*
Name: ALEX B. DIKENBAKER
Title: C.O.O.

[AFFIX CORPORATE SEAL]



Signed, sealed and delivered
in the presence of:

[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

My Commission Expires:

9/20/09

[AFFIX NOTARY SEAL]



CONSENT AND SUBORDINATION OF LENDER

The undersigned, **Day Properties, Inc.**, a Georgia corporation, **Robert L. Williams, Furman H. Agee, III**, and **Charles A Sanders**, having an address of 4725 Peachtree Corners Circle, Suite 300, Norcross, Georgia 30092 (collectively, "Lender"), is the owner and holder of the following (the "Security Instrument"):

Nonrecourse Purchase Money Deed to Secure Debt, by and between St. Michaels Bay Partners, L.P., a Georgia limited partnership and Lender, dated August 3, 2004, recorded at Deed Book 3450, pages 501-510, Forsyth County land records.

Lender hereby consents to and subordinates the Security Instrument to the foregoing Supplementary Declaration to which this Consent and Subordination is attached, and Lender agrees that all of its right, title and interest in and to the real property described therein by virtue of the Security Instrument shall be bound by, subject to and subordinate to the easements and other terms and provisions of the foregoing Supplementary Declaration, and the foregoing Supplementary Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Instrument; provided, however, that nothing herein shall modify, alter or amend the Security Instrument as between Lender and the borrower thereunder.


IN WITNESS WHEREOF, the undersigned has caused this Consent and Subordination of Lender to be duly executed and sealed, as of this 10 day of SEPT, 2006.

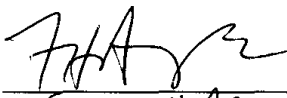
Signed, sealed and delivered
in the presence of:

LENDER

**DAY PROPERTIES, INC., a Georgia
corporation**


Unofficial Witness


Notary Public

By: 
Name: FURMAN H. AGEE III
Title: Pres.


Notary Public, Gwinnett County, Georgia
My Commission Expires March 4, 2009

[AFFIX CORPORATE SEAL]

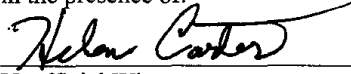
[NOTARY SEAL]

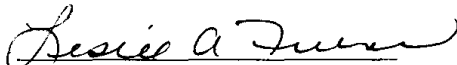
[SIGNATURES CONTINUED ON FOLLOWING PAGE]

ROBERT L. WILLIAMS

By:  (SEAL)
Name: Robert L. Williams

Signed, sealed and delivered
in the presence of:


Unofficial Witness

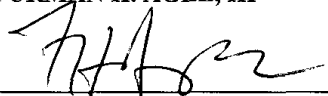

Notary Public

My Commission Expires:

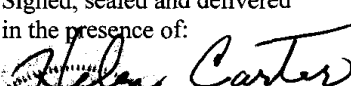
Notary Public, Gwinnett County, Georgia
My Commission Expires March 4, 2000


[NOTARY SEAL]

FURMAN H. AGEE, III

By:  (SEAL)
Name: Furman H. Agee, III

Signed, sealed and delivered
in the presence of:


Unofficial Witness


Notary Public

My Commission Expires:

Notary Public, Gwinnett County, Georgia
My Commission Expires March 4, 2000

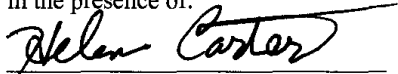
[NOTARY SEAL]

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

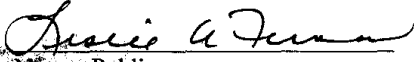
CHARLES A SANDERS

By:  (SEAL)
Name: Charles A Sanders

Signed, sealed and delivered
in the presence of:



Unofficial Witness



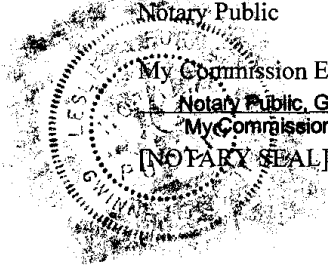
Notary Public

My Commission Expires:

Notary Public, Gwinnett County, Georgia

My Commission Expires March 4, 2009

[NOTARY SEAL]



CONSENT AND SUBORDINATION OF LENDER

The undersigned, **Peachtree Residential Properties, Inc.**, a Georgia corporation, having an address of 7380 McGinnis Ferry Road, Suwanee, Georgia 30024 ("Lender"), is the owner and holder of the following (the "Security Instrument"):

Nonrecourse Purchase Money Deed to Secure Debt, by and between St. Michaels Bay Partners, L.P., a Georgia limited partnership and Lender, dated August 3, 2004, recorded at Deed Book 3450, pages 511-520, Forsyth County land records.

Lender hereby consents to and subordinates the Security Instrument to the foregoing Supplementary Declaration to which this Consent and Subordination is attached, and Lender agrees that all of its right, title and interest in and to the real property described therein by virtue of the Security Instrument shall be bound by, subject to and subordinate to the easements and other terms and provisions of the foregoing Supplementary Declaration, and the foregoing Supplementary Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Instrument; provided, however, that nothing herein shall modify, alter or amend the Security Instrument as between Lender and the borrower thereunder.

IN WITNESS WHEREOF, the undersigned has caused this Consent and Subordination of Lender to be duly executed and sealed, as of this 9 day of SEPT., 2006.

Signed, sealed and delivered
in the presence of:

Unofficial Witness

Notary Public

Commission Expires: 9/20/09



LENDER

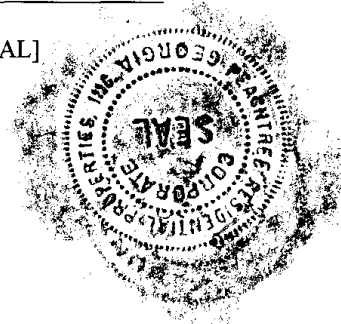
PEACHTREE RESIDENTIAL PROPERTIES, INC., a Georgia corporation

By: [Signature]

Name: ALEX B. PICKENBATOR

Title: C.O.O.

[AFFIX CORPORATE SEAL]



CONSENT AND SUBORDINATION OF LENDER

The undersigned, **SunTrust Bank**, having an address of 4555 Mansell Road, Suite 100, Alpharetta, Georgia 30022 ("Lender"), is the owner and holder of the following (the "Security Instrument"):

Construction Deed to Secure Debt and Security Agreement, by and between St. Michaels Bay Partners, L.P., a Georgia limited partnership and Lender, dated August 3, 2004, recorded at Deed Book 3450, pages 461-474, Forsyth County land records.

Lender hereby consents to and subordinates the Security Instrument to the foregoing Supplementary Declaration to which this Consent and Subordination is attached, and Lender agrees that all of its right, title and interest in and to the real property described therein by virtue of the Security Instrument shall be bound by, subject to and subordinate to the easements and other terms and provisions of the foregoing Supplementary Declaration, and the foregoing Supplementary Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Instrument; provided, however, that nothing herein shall modify, alter or amend the Security Instrument as between Lender and the borrower thereunder.

IN WITNESS WHEREOF, the undersigned has caused this Consent and Subordination of Lender to be duly executed and sealed, as of this 12th day of September, 2006.

Signed, sealed and delivered
in the presence of:

LENDER

SUNTRUST BANK

Unofficial Witness

Notary Public

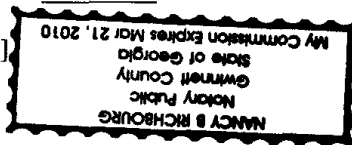
By: 

Name: R. Weare Gratwick

Title: Group Vice President

Commission Expires: _____

[NOTARY SEAL]



[AFFIX BANK SEAL]



WRITTEN CONSENT IN LIEU OF THE FIRST MEETING
OF THE INITIAL BOARD OF DIRECTORS OF
ST. MICHAELS BAY HOMEOWNERS ASSOCIATION, INC.

The undersigned, being all of the initial directors of the St. Michaels Bay Homeowners Association, Inc. ("Association"), elected by the incorporator of the Association, hereby unanimously consent to and adopt the following resolutions as the action of the Board of Directors of the Association in lieu of the organizational meeting of directors and hereby direct that this written consent to such action be filed with the minutes of the proceedings of the Board of Directors of the Association:

1.

RESOLVED, that the Articles of Incorporation of the Association filed with the Secretary of State of the State of Georgia on August 17, 2005 together with the certificate of the Secretary of State of Georgia, issued pursuant thereto, are hereby accepted and approved for and on behalf of the Association.

2.

RESOLVED, that the Declaration of Covenants, Restrictions and Easements for St. Michaels Bay, which was recorded on January 18, 2006 in Deed Book 4132, page 465, *et seq.*, in the Office of the Clerk of the Superior Court of Forsyth County, Georgia (hereinafter referred to as the "Declaration") is hereby adopted and approved by the Association and the Association accepts its obligations thereunder.

3.

RESOLVED, that the Bylaws of the Association attached hereto as Exhibit "A" and incorporated herein by this reference are hereby adopted as the Bylaws of the Association for the regulation and management of its affairs.

4.

RESOLVED, that the appointment by Declarant of the following named persons to the offices of the Association set forth opposite their respective names to serve as such officers pursuant to the Bylaws is hereby ratified:

President	Alec Rickenbaker
Vice President	Mike Ruland
Secretary	Ed Labar

5.

RESOLVED, that the form of a seal affixed to these minutes is hereby adopted as the official seal of the Association.

[Affix Corporate Seal]

6.

RESOLVED, that the officers of the Association be, and they hereby are, authorized, directed, and empowered, in the name and on behalf of the Association, to take all necessary steps and to do all things and execute any and all writings required or advisable to open bank accounts and execute and deliver corporate resolutions on forms prepared by banks.

7.

RESOLVED, that the officers of the Association be, and they hereby are, authorized, directed, and empowered, in the name and on behalf of the Association, to take all necessary steps and do all things required to conduct business and accomplish transactions in the ordinary course of business of the Association, and to take all actions and do any and all necessary or convenient things in order to effectuate the foregoing resolutions.

8.

RESOLVED, that the Registered Agent of the Association on file with the Secretary of State of Georgia is hereby authorized, directed, and empowered, in the name and on behalf of the Association, to take all necessary steps and do all things and execute any and all writings required by the Georgia Secretary of State, including filing corporation annual registration forms, to ensure that the Association remains in good standing with the Georgia Secretary of State.

The undersigned, by affixing their signatures hereto, do hereby consent to, authorize, and approve of the foregoing resolutions in their capacity as all of the initial directors of the Association as of the 17th day of August, 2005.

Alec Rickenbaker, Director

Mike Ruland, Director

Ed Labar, Director

Doc ID: 015077060009 Type: GLR
Recorded: 01/20/2016 at 02:04:19 PM
Fee Amt: \$30.00 Page 1 of 9
Forsyth County, GA
Greg G. Allen Clerk Superior Ct
BK 7635 PG 509-517

Doc ID: 015068730008 Type: GLR
Recorded: 01/13/2016 at 04:20:06 PM
Fee Amt: \$26.00 Page 1 of 8
Forsyth County, GA
Greg G. Allen Clerk Superior Ct
BK 7630 PG 772-779

3x
Upon recording return to:

David N. Dorough, Jr.
Dorough & Dorough, LLC
Attorneys at Law
160 Clairemont Avenue, Suite 650
Decatur, Georgia 30030
(404) 687-9977

Cross Reference: Deed Book: 4132
Page: 465

**SUPPLEMENTARY DECLARATION OF COVENANTS, RESTRICTIONS AND
EASEMENTS FOR ST. MICHAELS BAY**

**THIS SUPPLEMENTARY DECLARATION OF COVENANTS, RESTRICTIONS
AND EASEMENTS FOR ST. MICHAELS BAY** is made as of the 13th day of January, 2016,
by **GDCI GA 4, L.P.**, a Georgia limited partnership (hereinafter sometimes referred to as "GDCI
GA 4" or "Declarant");

WITNESSETH

WHEREAS, St. Michaels Bay Partners, L.P., a Georgia limited partnership, as
"Declarant" executed that certain Declaration of Covenants, Restrictions and Easements for St.
Michaels Bay, which was recorded on January 18, 2006 in Deed Book 4132, Page 465, *et seq.*,
Forsyth County, Georgia land records (hereinafter as supplemented and/or amended from time to
time referred to as the "Declaration"); and

WHEREAS, St. Michaels Bay, L.P., assigned all of its rights, title interest, powers,
privileges and immunities as Declarant to GDCI GA 4 pursuant to that certain Assignment of
Rights of Declarant Under the Declaration of Covenants, Restrictions and Easements for St.
Michaels Bay, which was recorded on July 5, 2012 in Deed Book 6330, Page 135, *et seq.*,
Forsyth County, Georgia land records; and

WHEREAS, Section 10.1 of the Declaration provides that Declarant as the owner
thereof or, if not the owner, with the consent of the owner thereof, has the unilateral right,
privilege and option from time to time at any time until ten (10) years after the recording of the
Declaration to subject portions of the real property described in Exhibit "B" to the Declaration to
the provisions of the Declaration and the jurisdiction of St. Michaels Bay Homeowners
Association, Inc. by filing for record a Supplementary Declaration; and

***RE-RECORDED TO ATTACH LENDER CONSENT**

WHEREAS, Declarant is the owner (or has the written consent of the owner) of the real property described in Exhibit "A" attached hereto and desires to subject such property to the provisions of the Declaration, and such property is a portion of the property that may be subjected to the Declaration by the Declarant;


NOW, THEREFORE, pursuant to the powers of Declarant under Section 10.1 of the Declaration, and in accordance with the provisions of that Section, Declarant hereby subjects all of those tracts or parcels of land described on Exhibit "A" attached hereto and by this reference incorporated herein to the provisions of the Declaration. Such property shall be sold, transferred, used, conveyed, occupied and encumbered pursuant to the provisions of the Declaration, all of which shall run with the title to such property and shall be binding upon all persons having any right, title, or interest in such property, their respective heirs, legal representatives, successors, successors-in-title and assigns.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

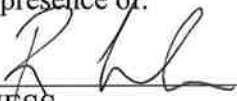
IN WITNESS WHEREOF, the undersigned have caused this Supplementary Declaration to be executed under seal the day and year first above written.

DECLARANT: **GDCI GA 4, L.P.**, a Georgia limited partnership

By: Pacific Land, LLC, a Georgia limited liability company, as its General Partner

By:  (SEAL)
Michael Kilgallon, as its Manager

Signed, sealed, and delivered
in the presence of:


WITNESS


NOTARY PUBLIC

My Commission Expires: Feb 2 2016

[AFFIX NOTARY SEAL]

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned owner of all or a portion of the tract or parcel of land described on Exhibit "A" attached hereto does hereby declare and consent, on behalf of such owner and such owner's heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of owner described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration. This 13th day of January, 2016.

Owner: **PEACHTREE RESIDENTIAL LLC**, a
Georgia limited liability company

By:  (SEAL)
David J. Borreson, Manager

Signed, sealed, and delivered
in the presence of:


WITNESS


NOTARY PUBLIC

My Commission Expires: Feb 2 2016

[AFFIX NOTARY SEAL]



CONSENT AND SUBORDINATION OF LENDER

The undersigned, **STATE BANK AND TRUST COMPANY** ("Lender"), is the owner and holder of that certain Deed to Secure Debt and Security Agreement from Peachtree Residential, LLC, a Georgia limited liability company, and Peachtree Residential Properties, Inc., a Georgia corporation, to State Bank and Trust Company, a Georgia banking corporation, dated November 13, 2015, recorded November 17, 2015 in Deed Book 7578, Page 715, *et seq.*, Forsyth County, Georgia land records (the "Security Deed").

Lender hereby consents to and subordinates the Security Deed to the Declaration and the foregoing Supplementary Declaration to which this Consent and Subordination is attached, and Lender agrees that all of its right, title and interest in and to the real property described therein by virtue of the Security Deed shall be bound by, subject to and subordinate to the easements and other terms and provisions of the Declaration and the foregoing Supplementary Declaration, and the Declaration and the foregoing Supplementary Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Deed; provided, however, that nothing herein shall modify, alter or amend the Security Deed as between Lender and the borrower thereunder.

IN WITNESS WHEREOF, the undersigned has caused this Consent and Subordination of Lender to be duly executed and sealed, as of this 1st day of January, 2016.

LENDER: **STATE BANK AND TRUST COMPANY**

Signed, sealed, and delivered
in the presence of:

By:

Paula K. McMahon

Name:

Paula K. McMahon

Title:

AVP

[SEAL]

Spuleen Arway
WITNESS

[Signature]
NOTARY PUBLIC

My Commission Expires: 3/20/2018

[AFFIX NOTARY SEAL]

P:\Clients\1972 St. Michaels Bay Supplementary Declaration - St. Michaels- Remaining Property.docx

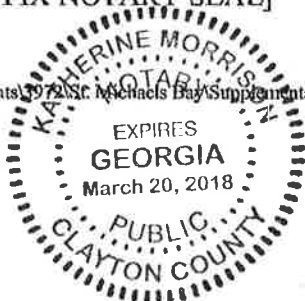


EXHIBIT "A"
Legal Description

Phase 2B, Unit 1

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 613, 614, 646 and 647 of the 14th District, 1st Section, Forsyth County, Georgia, containing approximately 4.04 acres, as described on that certain ALTA/ACSM Land Title Survey for GDCI GA 4, L.P., a Georgia limited partnership, Pacific Group and Chicago Title Insurance Company, dated June 26, 2012, prepared by Travis Pruitt & Associates, Inc., containing the seal of Bruce W. Hamilton, Georgia Registered Land Surveyor No. 2951, and being more particularly described as follows:

BEGINNING a Corp of Engineers Monument at the land lot corner common to land lots 613, 614, 646, and 647, THENCE from said TRUE POINT OF BEGINNING continuing along the land lot line common to land lots 613 and 614 North 89 degrees 33 minutes 35 seconds West a distance of 174.81 feet to a Corp of Engineers monument; THENCE South 85 degrees 55 minutes 25 seconds West a distance of 90.06 feet to a Corp of Engineers monument; THENCE North 87 degrees 53 minutes 24 seconds West a distance of 154.59 feet to a Corp of Engineers monument; THENCE North 83 degrees 13 minutes 16 seconds West a distance of 109.51 feet to a Corp of Engineers monument; THENCE South 85 degrees 32 minutes 59 seconds West a distance of 130.29 feet to a point; THENCE North 04 degrees 27 minutes 01 seconds West a distance of 95.26 feet to an iron pin found; THENCE North 49 degrees 32 minutes 19 seconds East a distance of 279.76 feet to a ½" rebar with cap; THENCE North 49 degrees 32 minutes 19 seconds East a distance of 75.37 feet to a ½" rebar with cap; THENCE North 74 degrees 35 minutes 12 seconds East a distance of 16.09 feet to an iron pin found; THENCE North 74 degrees 35 minutes 12 seconds East a distance of 80.80 feet to an iron pin found; THENCE South 12 degrees 05 minutes 43 seconds East a distance of 108.27 feet to iron pin found; THENCE North 75 degrees 35 minutes 31 seconds East a distance of 180.41 feet to an iron pin found; THENCE North 75 degrees 35 minutes 31 seconds East a distance of 82.55 feet to an iron pin found; THENCE along a curve to the right with a radius of 500.00 feet and an arc length of 207.23 feet, said curve having a chord bearing of South 12 degrees 11 minutes 31 seconds East and a chord distance of 205.75 feet to an iron pin found ; THENCE South 00 degrees 19 minutes 07 seconds East a distance of 18.06 feet to an iron pin found; THENCE along a curve to the right with a radius of 20.00 feet and an arc length of 31.42 feet, said curve having a chord bearing of South 44 degrees 40 minutes 53 seconds West and a chord distance of 28.28 feet to an iron pin found; THENCE South 00 degrees 46 minutes 34 seconds East a distance of 50.00 feet to an iron pin found; THENCE along a curve to the right with a radius of 20.00 feet and an arc length of 30.33 feet, said curve having a chord bearing of South 46 degrees 52 minutes 36 seconds East and a chord distance of 27.50 feet to an iron pin found; THENCE along a curve to the right with a radius of 250.00 feet and an arc length of 6.29 feet, said curve having a chord bearing of South 04 degrees 09 minutes 18 seconds East and a chord distance of 6.29 feet to a an iron pin found point; THENCE North 89 degrees 33 minutes 35 seconds West a distance of 20.70 feet to a land lot corner common to land lots 613, 614, 646 and 647, said land lot corner being the TRUE POINT OF BEGINNING.

TOGETHER WITH:

Phase 2B, Unit 2

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 569, 570, 612, 613, 614, 646, 647 and 648 of the 14th District, 1st Section, Forsyth County, Georgia, containing approximately 44.42 acres, as described on that certain ALTA/ACSM Land Title Survey for GDCI GA 4, L.P., a Georgia limited partnership, Pacific Group and Chicago Title Insurance Company, dated June 26, 2012, prepared by Travis Pruitt & Associates, Inc., containing the seal of Bruce W. Hamilton, Georgia Registered Land Surveyor No. 2951, and being more particularly described as follows:

BEGINNING a 20" Beech Tree being 264.11' South of the land lot corner common to land lots 613, 614, 569, 570, THENCE along the land lot line common to land lots 569, 570, 613 and 614 the following courses and distances: North 01 degrees 09 minutes 55 seconds East a distance of 399.26 feet to a ½" rebar set; THENCE North 01 degrees 09 minutes 55 seconds East a distance of 296.80 feet to a ½" rebar set; THENCE North 01 degrees 09 minutes 55 seconds East a distance of 32.92 feet to a ½" rebar, PVC over rebar; THENCE South 89 degrees 34 minutes 52 seconds West a distance of 145.62 feet to a nail found; THENCE North 00 degrees 04 minutes 01 seconds East a distance of 129.06 feet to a ½" rebar set; THENCE North 00 degrees 04 minutes 01 seconds East a distance of 68.11 feet to a 1 ½" angle iron; THENCE North 89 degrees 51 minutes 27 seconds West a distance of 99.81 feet to a ½" rebar; THENCE North 00 degrees 05 minutes 37 seconds East a distance of 66.05 feet to a ½" rebar; THENCE North 89 degrees 38 minutes 11 seconds East a distance of 248.35 feet to a ½" rebar set; THENCE along the land lot line common to land lots 570 and 613 the following courses and distances: North 00 degrees 42 minutes 21 seconds East a distance of 171.10 feet to a ½" rebar; THENCE North 00 degrees 10 minutes 14 seconds East a distance of 115.63 feet to a point at the centerline of creek; THENCE along the centerline of creek the following courses and distances: North 86 degrees 41 minutes 30 seconds East a distance of 35.83 feet to a point; THENCE South 69 degrees 18 minutes 47 seconds East a distance of 56.27 feet to a point; THENCE North 47 degrees 57 minutes 06 seconds East a distance of 7.00 feet to a point; THENCE North 47 degrees 57 minutes 06 seconds East a distance of 31.11 feet to a point; THENCE North 61 degrees 44 minutes 09 seconds East a distance of 29.53 feet to a point; THENCE North 68 degrees 07 minutes 33 seconds East a distance of 41.94 feet to a point; THENCE North 66 degrees 28 minutes 40 seconds East a distance of 38.31 feet to a point; THENCE North 65 degrees 56 minutes 06 seconds East a distance of 6.80 feet to a point; THENCE North 65 degrees 56 minutes 06 seconds East a distance of 56.26 feet to a point; THENCE North 67 degrees 51 minutes 13 seconds East a distance of 48.68 feet to a point; THENCE North 66 degrees 23 minutes 29 seconds East a distance of 42.49 feet to a point; THENCE North 62 degrees 26 minutes 28 seconds East a distance of 19.82 feet to a point; THENCE North 62 degrees 26 minutes 28 seconds East a distance of 18.97 feet to a point; THENCE North 69 degrees 33 minutes 04 seconds East a distance of 50.31 feet to a point; THENCE North 80 degrees 14 minutes 29 seconds East a distance of 51.38 feet to a point; THENCE North 69 degrees 03 minutes 30 seconds East a distance of 43.35 feet to a point; THENCE North 69 degrees 03 minutes 30 seconds East a distance of 7.47 feet to a point; THENCE North 55 degrees 45 minutes 14 seconds East a distance of 41.31 feet to a point; THENCE North 75 degrees 33 minutes 31 seconds East a distance of 13.01 feet to a point; THENCE North 56 degrees 26 minutes 00 seconds East a distance of 31.08 feet to a point; THENCE North 35 degrees 45 minutes 28 seconds East a distance of 24.52 feet to a point; THENCE North 54 degrees 35 minutes 56 seconds East a distance of 60.10 feet to a at the centerline of creek and the centerline of ditch; THENCE along the centerline of ditch the following distance and courses North 41 degrees 12 minutes 49 seconds East a distance of 42.03 feet to a

point; THENCE North 45 degrees 45 minutes 46 seconds East a distance of 40.99 feet to a point; THENCE North 27 degrees 47 minutes 59 seconds East a distance of 41.19 feet to a point; THENCE North 44 degrees 17 minutes 07 seconds East a distance of 19.26 feet to a point; THENCE North 58 degrees 20 minutes 17 seconds East a distance of 41.95 feet to a point; THENCE North 44 degrees 07 minutes 52 seconds East a distance of 51.04 feet to a point; THENCE North 46 degrees 38 minutes 27 seconds East a distance of 30.92 feet to a point; THENCE North 52 degrees 04 minutes 06 seconds East a distance of 26.45 feet to a point; THENCE North 53 degrees 42 minutes 24 seconds East a distance of 31.64 feet to a point; THENCE North 48 degrees 27 minutes 36 seconds East a distance of 23.20 feet to a point; THENCE North 51 degrees 06 minutes 18 seconds East a distance of 23.39 feet to a point; THENCE North 47 degrees 24 minutes 46 seconds East a distance of 22.97 feet to a point; THENCE North 48 degrees 48 minutes 41 seconds East a distance of 19.97 feet to a point; THENCE North 67 degrees 54 minutes 13 seconds East a distance of 12.07 feet to a point; THENCE North 37 degrees 50 minutes 09 seconds East a distance of 8.27 feet to a point; THENCE North 50 degrees 58 minutes 42 seconds East a distance of 23.08 feet to a point; THENCE North 37 degrees 12 minutes 51 seconds East a distance of 22.39 feet to a point; THENCE North 18 degrees 16 minutes 37 seconds East a distance of 14.38 feet to a point; THENCE North 42 degrees 35 minutes 22 seconds East a distance of 12.12 feet to a point; THENCE North 35 degrees 49 minutes 18 seconds East a distance of 51.62 feet to a point; THENCE North 26 degrees 41 minutes 13 seconds East a distance of 44.87 feet to a point; THENCE North 28 degrees 41 minutes 32 seconds East a distance of 41.43 feet to a point; THENCE North 28 degrees 41 minutes 32 seconds East a distance of 37.43 feet to a at the centerline of ditch; THENCE leaving the centerline of ditch South 56 degrees 13 minutes 09 seconds East a distance of 73.03 feet to a ½" rebar set;; THENCE South 56 degrees 13 minutes 09 seconds East a distance of 298.49 feet to a ½" rebar set; THENCE South 56 degrees 13 minutes 09 seconds East a distance of 71.93 feet to a 1" crimp top pipe on the western right of way of Driver Lane; THENCE along the western right of way of Driver Lane the following courses and distances: South 23 degrees 55 minutes 05 seconds West a distance of 58.53 feet to a ½" rebar set; THENCE along a curve to the left with a radius of 174.51 feet and an arc length of 70.96 feet, said curve having a chord bearing of South 36 degrees 34 minutes 03 seconds West and a chord distance of 70.48 feet to a ½" rebar set; THENCE South 48 degrees 05 minutes 55 seconds West a distance of 44.99 feet to a ½" rebar set; THENCE along a curve to the left with a radius of 504.52 feet and an arc length of 103.05 feet, said curve having a chord bearing of South 42 degrees 35 minutes 18 seconds West and a chord distance of 102.87 feet to a ½" rebar set; THENCE along a curve to the left with a radius of 479.95 feet and an arc length of 52.38 feet, said curve having a chord bearing of South 31 degrees 16 minutes 46 seconds West and a chord distance of 52.36 feet to a ½" rebar set; THENCE along a curve to the left with a radius of 479.95 feet and an arc length of 54.99 feet, said curve having a chord bearing of South 24 degrees 52 minutes 14 seconds West and a chord distance of 54.96 feet to a ½" rebar set; THENCE South 21 degrees 03 minutes 21 seconds West a distance of 35.74 feet to a ½" rebar set; THENCE South 21 degrees 03 minutes 21 seconds West a distance of 73.56 feet to a ½" rebar set; THENCE South 22 degrees 10 minutes 52 seconds West a distance of 20.65 feet to a point; THENCE South 22 degrees 10 minutes 52 seconds West a distance of 52.88 feet to a ½" rebar set; THENCE crossing to the eastern right of way of Driver Lane South 86 degrees 55 minutes 13 seconds East a distance of 31.75 feet to a ½" rebar set; THENCE along the eastern right of way of driver lane North 22 degrees 10 minutes 52 seconds East a distance of 54.25 feet to a ½" rebar with cap; THENCE leaving said right of way South 88 degrees 02 minutes 14 seconds East a distance of 78.20 feet to a ½" rebar set; THENCE South 88 degrees 02 minutes 14 seconds East a distance of 816.68 feet to a ½" rebar with cap; THENCE along the line common to St. Michael's Bay Phase 1 the following courses and

distances: South 02 degrees 07 minutes 20 seconds West a distance of 139.22 feet to a ½" rebar with cap; THENCE South 51 degrees 42 minutes 54 seconds West a distance of 113.19 feet to a point; THENCE South 19 degrees 36 minutes 43 seconds West a distance of 191.41 feet to a ½" rebar with cap; THENCE South 19 degrees 43 minutes 49 seconds West a distance of 118.26 feet to a ½" rebar with cap; THENCE South 00 degrees 05 minutes 04 seconds West a distance of 197.06 feet to a ½" rebar; THENCE South 10 degrees 17 minutes 44 seconds East a distance of 214.75 feet to a ½" rebar; THENCE South 79 degrees 42 minutes 56 seconds West a distance of 123.58 feet to a ½" rebar; THENCE South 79 degrees 42 minutes 56 seconds West a distance of 99.84 feet to a ½" rebar with cap; THENCE along the line common the St. Michael's Bay Phase 2A the following courses and distances: North 63 degrees 49 minutes 38 seconds West a distance of 87.40 feet to a point; THENCE North 20 degrees 45 minutes 32 seconds West a distance of 239.04 feet to a point; THENCE South 72 degrees 59 minutes 17 seconds West a distance of 43.52 feet to a point; THENCE North 11 degrees 40 minutes 08 seconds West a distance of 112.14 feet to a point; THENCE North 89 degrees 48 minutes 39 seconds West a distance of 178.05 feet to a ½" rebar set; THENCE North 00 degrees 22 minutes 12 seconds East a distance of 91.51 feet to a ½" rebar set; THENCE North 89 degrees 37 minutes 48 seconds West a distance of 50.00 feet to a ½" rebar with cap; THENCE North 89 degrees 37 minutes 48 seconds West a distance of 202.89 feet to a ½" rebar; THENCE North 19 degrees 39 minutes 19 seconds West a distance of 123.46 feet to a ½" rebar; THENCE North 19 degrees 39 minutes 19 seconds West a distance of 19.81 feet to a ½" rebar; THENCE South 75 degrees 17 minutes 41 seconds West a distance of 85.81 feet to a ½" rebar; THENCE South 68 degrees 12 minutes 19 seconds West a distance of 165.67 feet to a ½" rebar set; THENCE South 68 degrees 14 minutes 07 seconds West a distance of 91.18 feet to a ½" rebar set; THENCE South 68 degrees 14 minutes 07 seconds West a distance of 29.27 feet to a ½" rebar; THENCE South 56 degrees 43 minutes 08 seconds West a distance of 10.42 feet to a ½" rebar set; THENCE South 56 degrees 43 minutes 08 seconds West a distance of 95.47 feet to a ½" rebar set; THENCE South 56 degrees 43 minutes 08 seconds West a distance of 92.24 feet to a ½" rebar; THENCE South 32 degrees 52 minutes 22 seconds West a distance of 98.34 feet to a ½" rebar set; THENCE South 32 degrees 52 minutes 22 seconds West a distance of 155.48 feet to a ½" rebar; THENCE South 13 degrees 06 minutes 16 seconds West a distance of 234.32 feet to a point; THENCE South 13 degrees 06 minutes 16 seconds West a distance of 131.81 feet to a point; THENCE South 13 degrees 06 minutes 16 seconds West a distance of 55.58 feet to a Corps of Engineers monument; THENCE South 63 degrees 21 minutes 03 seconds West a distance of 101.64 feet to a point; THENCE South 63 degrees 21 minutes 03 seconds West a distance of 142.52 feet to a Corps of Engineers monument; THENCE South 78 degrees 19 minutes 24 seconds West a distance of 79.21 feet to a Corps of Engineers monument; THENCE North 87 degrees 49 minutes 18 seconds West a distance of 40.06 feet to a 20" Beech tree, said point being the TRUE POINT OF BEGINNING.