

**BYLAWS OF
LOCHINVER HOMEOWNERS ASSOCIATION, INC.**

**Article I
Name, Membership, and Definitions**

Section 1, Name. The name of the association shall be Lochinver Homeowners Association, Inc (“Association”).

Section 2. Membership. The Association shall be a membership corporation without certificates or shares of stock. Each Owner, as defined in Exhibit “A” hereto, may become a member of the Association by paying the annual dues as set by the Board of Directors of the Association. No Owner, whether one or more Persons, shall have more than one membership per Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a Member or the Member’s spouse, but in no event shall more than one vote be cast for each Lot owned.

Section 3. Definitions. Unless the context shall prohibit, certain capitalized words used in these Bylaws shall be defined as set forth in Exhibit “A” attached hereto and by reference made a part hereof.

**Article II
Association: Meetings, Quorum, Voting, Proxies**

Section 1. Place of Meetings. Meetings of the Association shall be held at such a suitable place convenient to the members as may be designated by the Board, either in the Community or as convenient thereto as possible and practical.

Section 2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one (1) year from the date the Association was incorporated. Annual meetings shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association’s fiscal year. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

Section 3. Special Meetings. The President of the Association may call special meetings. In addition, it shall be the duty of the President to call a special meeting for the Association if so directed by resolution of a Majority of the Board or upon a petition signed by at least twenty-five percent (25%) of the Total Association Vote. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary of the Association to mail or cause to be delivered to the Members of the Association a notice of each annual or special meeting of the Association. The mailing or delivery of a notice

of meeting shall be considered service of notice. Notices shall be served not less than five (5) nor more than thirty (30) days before a meeting. If a Member wishes notice to be given at an address other than his Lot, such Member shall notify the Secretary of the association in writing of such other address.

Section 5. Waiver of Notice. If a Member waives proper notice of a meeting, then it shall be deemed that such Member received proper notice. A Member may waive notice either in writing or by attendance at a meeting. Particularly, any Member may waive notice of any meeting in writing to the Secretary either before or after such meeting. A member's attendance at a meeting, whether in person or by proxy, shall be deemed a waiver by such Member of proper notice of the meeting, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a Majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time of the original meeting. At such later meeting at which a quorum is present, any business which might have been transacted at the originally scheduled meeting may be transacted without further notice.

Section 7. Voting. Members shall be entitled to one vote for each Lot of which the Member is an Owner. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one Person seeks to exercise it.

Section 8. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary of the Association before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot, or upon receipt of notice by the Secretary of the Association of the death or judicially declared incompetence of a Member, or written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

Section 9. Quorum. The presence, in person or by proxy, of one-third of the Total Association Vote shall constitute a quorum at all meetings of the Association. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. If a quorum is present, a Majority of the Members actually voting may act to bind the Association.

Section 10. Action without a Formal Meeting. Any action to be taken at a meeting of the Members, or any action that may be taken at a meeting of the Members, may be taken without a meeting if an unanimous written consent signed by all Members is executed. Such action shall be effective upon receipt by the Association of the written

consent executed by the required number of Members, unless a later effective date is specified therein. The signed consent(s) shall be delivered to the Association and shall be included in the minutes of meeting of Members filed in the permanent records of the Association.

Section 11. Action of Written Ballot. Any action to be taken at any annual 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. 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. 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 without the consent of the Board. The results of each action by written ballot shall be certified by the Secretary of the Association and shall be included in the minutes of meetings of Members filed in the permanent records of the Association.

Article II

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board. The directors must reside in the Community and shall be Members or spouses of such Members, provided, however, no Person and his spouse may serve on the Board at the same time.

Section 2. Number of Directors. The Board shall initially consist of nine (9) members. Thereafter, the Board shall not be less than seven (7) nor greater than nine (9).

Section 3. Nomination of Directors. The directors shall be elected by the Members. Elected directors shall be nominated by a nominating committee established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4. Election and Term of Office. The terms of directors shall be staggered. The initial Board members shall serve one or two year terms. At the expiration of the initial term of office of each respective member of the Board, a successor shall be elected to serve for a two year term. The members of the Board shall hold office until their respective successors shall have been elected by the Association. No director shall succeed himself for more than one successive term.

(a). The Directors shall be elected at the annual meeting by a Majority vote of the Members voting at the meeting.

Section 5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more Board member may be removed for cause by a Majority vote and a successor may then be elected by the Association to fill the vacancy created. A director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from the Board meetings or who is delinquent in the payment of an assessment for more than twenty (20) days may be removed by a Majority vote of the directors at a Board meeting, a quorum being present.

Section 6. Vacancies. Vacancies in the Board caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Each director so selected shall serve the unexpired portion of the term.

B Meetings.

Section 7. Organizational Meetings. The first meeting of the members of the Board following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a Majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

Section 9. Special Meetings. Special meetings of the Board shall be held when requested by the President, Vice President or by any two (2) directors. The notice shall be given to each director and shall specify the time and place of the meeting and the nature of any special business to be considered. Notice can be made by personal delivery, by first class mail or by telephone communication. All such notices shall be given or sent to the director's address or shall be mailed at least four (4) days before the time set for the meeting. Notices given by personal delivery or telephone shall be given at least 72 hours before the time set for the meeting.

Section 10. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a

meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11. Quorum of Board of Directors. At all meetings of the Board, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting cannot be held because a quorum is not present, a Majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time that the original meeting was called. At such later meeting at which a quorum is present, any business which might have been transacted at the original meeting may be transacted without further notice.

Section 12. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by a Majority of the Total Association Vote.

Section 13. Open Meetings. All meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless such Member has obtained the authorization of the Board prior to the meeting.

Section 14. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and other orders of business which the Board deems appropriate for executive session.

Section 15. Action without a Formal Meeting. Any action to be taken at a meeting of the directors, or any action that may be taken at a meeting of the directors, may be taken without a meeting if a consent, in writing, setting forth the action so taken shall be signed by all of the directors prior to such action being taken.

Section 16. Telephonic Participation. One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all directors participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a regular meeting of the Board.

C. Powers and Duties.

Section 17. Powers. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not

by the Declaration, the Articles of Incorporation of the Association, or these Bylaws directed to be done and exercised exclusively by the Members. In addition to the duties imposed by these Bylaws or by a resolution of the Association that may hereafter be adopted, the Board shall have the power to do the following, in way of explanation, but not limitation:

- (a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses;
- (b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the assessments;
- (c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;
- (d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
- (f) making and amending use restrictions and rules and regulations;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceeding which may be instituted on behalf of or against the Owners concerning the Association;
- (i) obtaining and carrying insurance against casualties and liabilities, and paying the premium cost thereof;
- (j) paying the cost of all services rendered to the Association or its Members which are not directly chargeable to the Owners;
- (k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any other expenses incurred; and

- (l) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts or other associations. Any and all functions for the Association shall be fully transferable by the Board, in whole or in part, to any other entity; and
- (m) naming an audit committee or otherwise providing for a competent audit of the Associations books and records at least annually.

Section 18. Management Agent. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The term of any management agreement shall not exceed one year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days written notice.

Article IV Officers

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and treasurer. The officers shall be elected from among the members of the Board.

Section 2. Election, Term of office, and Vacancies. The officers of the Association shall serve a one year term and shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board, whenever, in its judgment the best interest of the Association will be served thereby.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit corporation Code.

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

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the association and the Board and shall have charge of such books and papers as the Board may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under the Georgia Nonprofit Corporation Code.

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

Section 8. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Article V Committees

Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board. At least one Board member should serve on any committee created.

Article VI Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 2. Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation of the Association, the Declaration, and these Bylaws, in that order, shall prevail.

Section 3. Amendment. These Bylaws may be amended upon the Majority vote of the Board.

Exhibit "A"

Definitions

The following words, when used in these Bylaws or in any amendment thereof shall have the following meanings, unless the context shall prohibit.

1. **"Association"** shall mean and refer to Lochinver Homeowners Association, Inc., a nonprofit Georgia corporation, its successors and assigns.
2. **"Board of Directors" or "Board"** shall be the elected body having its normal meaning under Georgia corporate law.
3. **"Bylaws"** shall refer to these Bylaws of the Association or as amended hereafter.
4. **"Community"** shall mean and refer to that certain real property and interests subject to the Declaration of Covenants for Lochinver as particularly described in Exhibits A and B of such Declaration, recorded in the Rockdale Count, Georgia records, and any such additions thereto as may be made by Declarant or the Association.
5. **"Declarant"** means Lochinver Development Partnership, a Georgia general partnership composed of Gerald Sheppard and the A & D Partnership, a Georgia general partnership whose sole general partners re Alton Housworth, Jr. and DSH Enterprises, Inc., a Georgia corporation, and its successors and assigns, including, but not limited to, and person, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof, which acquires all or substantially all of the Development then owned by declarant (or subsequent successors in interest), together with its rights, by conveyance or assignment from Declarant, or judicial or non-judicial foreclosure, for the purpose of development and/or construction on the Property.
6. **"Declaration"** means that certain Declaration of Covenants, Conditions and Restrictions for Lochinver as recorded in the records of Rockdale Count and any amendments thereto.
7. **"Lot"** shall mean any plot of land within the Community upon which a completed single dwelling site exists, as shown on any plats for the Community, or amendments thereto, recorded in the land records of Rockdale County.
8. **"Member"** shall mean an Owner who pays the annual dues of the Association as set by the Board of Directors.
9. **"Majority"** means those eligible votes which total more than fifty percent (50%) of the total eligible number.

10. **“Owner”** means the record owner, whether one or more Persons, of the fee simple title to any Lot which has a completed single dwelling on such Lot which Owner occupies, excluding, however, any Person holding such interest merely as security for the performance of satisfaction of any obligation.
11. **“Person”** means any natural person, as well as a corporation, joint venture, partnership, association, trust, or other legal entity.
12. **“Total Association Vote”** means all of the eligible votes attributable to the members of the Association.