

DECLARATION OF CONDOMINIUM
of
312 EAST LIBERTY CONDOMINIUM
312 East Liberty Street
Savannah, Georgia

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Declaration made June 16, 1980 by RALPH E. WALDEN,
hereinafter called the Declarant, for himself, his successors,
grantees, and assigns.

1. Submission to Condominium Ownership. The purpose of this Declaration is to submit the lands herein described and the improvements thereon to the condominium form of ownership and use in the manner provided by Chapter 85-16E, Georgia Laws, and as amended, herein called the Georgia Condominium Act:

(a) The name by which this condominium is to be identified is 312 East Liberty Condominium, herein called the Condominium, and its address is 312 East Liberty Street, Savannah, Chatham County, Georgia.

(b) The lands owned by the Declarant which are hereby submitted to the condominium form of ownership are the following:

ALL that certain lot, tract or parcel of land situate, lying and being in the City of Savannah, Chatham County, Georgia, and being known upon the map or plan of said City as Lot 66, Crawford Ward; said lot having a Southern frontage on East Liberty Street of 60 feet, with a rectangular depth Northwardly to Perry Lane, (sometimes called "Colonial Place"), of 90 feet, more or less, and being bounded on the North by said Lane; on the East by Lot 65, said Ward; on the South, by Liberty Street; and on the West by Lot 67, said Ward; this being the same property conveyed to S. W. BRADLEY by HOYT D. JORDAN, by Warranty Deed dated September 13, 1979, and recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia in Record Book 113-M, Folio 199; and containing the premises known under the present system of numbering of houses in the City of Savannah, as 312 East Liberty Street

which lands are herein called the Land.

(c) The Declarant specifically reserves for himself and his successors and assigns, the air rights above the elevation of the present roof of the building located on the land all as more particularly set forth in Paragraph 20 hereof, with the exception as noted in Exhibit "A."

2. Definitions. The terms used herein and in the By-laws shall have the meanings stated in the Georgia Condominium Act and as follows:

(a) "Association" means 312 East Liberty Condominium Association, Inc., and its successors.

(b) "Utility services" as used in this Declaration and by the By-laws, shall include but not be limited to electric power, gas, hot and cold water, heating, refrigeration, air conditioning, and garbage and sewage disposal.

(c) "Unit" as used in this Declaration and the By-laws, shall be defined as in Sec. 85-1603e of the Georgia Condominium Act, and shall include all units in the condominium.

3. Description of Units.

(a) A description of the number, location and size of the units is attached hereto as Exhibit "A" to this Declaration. Greater detail as to the location and exact dimensions of the units are contained in the Master Plat of the Condominium recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia.

(b) Each unit is identified by the use of the number of the apartment as set forth on the said Master Plat of the Condominium.

120 (c) The Declarant reserves the right to change the interior design and arrangement of all units and to alter the boundaries between units, so long as the Declarant owns any unit so altered. Any such change shall be reflected by an amendment of this Declaration which may be executed by the Declarant alone, notwithstanding the procedures for amendment described in Paragraph 22 of this Declaration. However, no such change shall affect the percentage ownership interest or voting rights of any unit previously conveyed by Declaration nor alter the boundaries of the common elements without amendment of this Declaration in the manner described in Paragraph 22 of this Declaration. If more than one unit is altered the Declarant shall have the right to appropriately reapportion the percentage ownership interest in the common elements and voting right which are allocated to the altered units.

4. Unit boundaries. Each unit shall include that part of the building containing the unit which lies within the boundaries of the unit, including interior walls, which boundaries shall be determined in the following manner:

(a) The upper boundary shall be the outermost exterior plane of the finished surface of the ceiling slab.

(b) The lower boundary shall be the outermost exterior plane of the finished surfaces of the floor slab or flooring boards.

(c) The vertical boundaries of the unit shall be (1) where a unit's walls are the exterior walls of the condominium building, the boundary of the unit shall be the outermost exterior portion of the inside finished surface of the walls of the condominium building bounding a unit. Where there is attached to the building a balcony, loggia, terrace, patio, canopy, stairway, or other portion of the building serving only the unit being bounded, excluding fire escapes which shall be limited common areas for the use of the contiguous units, the boundaries

shall be such as will include all of such structures and fixtures thereon, (2) any walls a unit shares with another unit, the boundary of said unit shall be the center of said common wall, and (3) any walls of a unit that are also the boundaries of any interior common element (foyer, stairway, hallway, etc.) of the condominium building, the boundary of the unit shall be the outermost exterior plane of the finished interior (to the unit) wall bounding said unit and common element.

(d) The boundaries of each are more accurately shown on that certain plat of 312 East Liberty Condominium, recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia, in Condominium Plat Book, Pages 35, 36, 37, 38 and 39. (the "Master Plat") which is made a part hereof and in case of any conflict, the boundaries shown on the Master Plat will control.

5. Shares of common elements and liability for common expenses. Each unit owner shall own a proportionate share in the common elements and in any common surplus of the condominium and shall be liable for a proportionate share of common expenses of the condominium as set forth in Exhibit "A" hereto, which is made a part hereof.

6. Maintenance and alteration of units.

(a) The Association shall maintain, repair and replace:

(1) All portions of a unit contributing to the support of the condominium building, (except interior surfaces) which portions shall include but not be limited to the outside walls of the condominium building and all fixtures on the exterior thereof; boundary walls of units; floor and ceiling slabs; and load-bearing columns and load-bearing walls; and

(2) All conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services which are contained in the portions of a unit maintained by

the Association; and all such facilities contained within a unit which service part or parts of the condominium other than the unit within which contained.

All incidental damage caused to a unit by such work shall be promptly repaired at the expense of the Association.

(b) The responsibility of the unit owner shall be:

(1) To maintain, repair, and replace at his expense all portions of his unit or limited common elements appurtenant to his unit except the portions to be maintained, repaired, and replaced by the Association.

(2) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the condominium building or any portion of the interior common elements of the condominium building;

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(3) To promptly report to the Association any defect or need for repairs the responsibility for which is that of the Association.

(c) Except as elsewhere reserved to the Declarant neither unit owner nor the Association shall make any alteration in the portions of a unit or condominium building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the condominium building, or impair any easement, without first obtaining approval in writing of owners of all units in which such work is to be done and the approval of the Board of Directors of the Association. A copy of plans for all of such work prepared by an architect licensed

to practice in this state shall be filed with the Association and approval thereof by the Association obtained prior to the start of the work.

7. Maintenance and alteration of common elements.

(a) The maintenance and operation of the common elements shall be the responsibility and the expense of the Association.

(b) There shall be no alteration or improvement of the property constituting the common elements without prior approval in writing by the owners of not less than 75% of the common elements except as provided by the By-laws, but any such alteration or improvement shall not interfere with the rights of any unit owner. The cost of such work shall not be assessed against a bank, life insurance company, or federal savings and loan association which acquires its title as the result of owning a mortgage upon a unit unless such an owner shall approve the alteration or improvements, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to the other owners in the proportions which their shares in the common elements bear to each other. There shall be no change in the shares and rights of a unit owner in the common elements which are altered or further improved, whether or not the apartment owner contributes to the cost thereof.

8. Assessments.

(a) Assessments against unit owners for common expenses shall be made pursuant to the By-laws and shall be allocated as set forth in Paragraph 5 of this Declaration.

124 (b) Assessments and installments thereon paid on or before ten days after the date when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the rate of 8% per annum from the date when due until paid. Also, all sums not paid on or before the 10th day after the date when due shall incur a delinquency charge of the greater of \$10.00 or 10% of the amount of installment or assessment not paid when due. All payments upon account shall be first applied to interest, then to delinquent charge, and last to the assessment payment first due.

(c) In any foreclosure of a lien for assessments the owner of the unit subject to the lien shall be required to pay the fair rental value for the unit, from the time of institution of suit to foreclose until sale at foreclosure (or judgment if suit is otherwise satisfied.)

(d) The lien for unpaid assessments provided by Georgia law shall also secure interest charges, delinquency charges and fair rental value as provided in this paragraph and the costs of collection, including court costs, the expenses of sale, any expenses required for the protection and preservation of the unit, and reasonable attorney's fees actually incurred.

9. The Association and Voting Rights. - The operation of the condominium shall be by the 312 East Liberty Condominium Association, Inc., herein called the Association, a corporation not for profit under the laws of Georgia, which shall be organized and shall fulfill its functions pursuant to the following provisions:

(a) The members of the Association shall be the unit owners and will be entitled to one (1) vote for each unit

owned, there being eight (8) votes outstanding. The Declarant shall be a member of the Association for any unsold or retained units.

(b) Each Unit Owner has an undivided interest in the Common Elements, liability for common expense and shall be a member of the Association with a vote therein, all as shown on Exhibit "A."

(c) The Association has been incorporated under Articles of Incorporation in the form attached as Exhibit "B" which is made a part hereof.

(d) The By-laws of the Association are in the form attached as Exhibit "C" which is made a part hereof.

(e) Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, nor for injury or damage caused by the elements or other owners or persons.

(f) The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his unit.

(g) Declarant shall be authorized to appoint and remove any or all members of the Board of Directors or Officers of the Association until the earlier of: (1) three (3) years from the date this Declaration is recorded in the Office of the Clerk of the Superior Court of Chatham County,

Georgia; (2) the date on which units to which four-fifths (4/5) of the undivided interests in the common elements appertain shall have been conveyed by the Declarant to unit owners other than Declarant; or (3) surrender by Declarant of such authority to appoint or remove. At the expiration or occurrence of such event, control of the Association shall pass to the unit owners to be administered according to the Association's Articles of Incorporation and By-laws.

10. Limited and General common elements.

(a) Limited Common Elements: The corridors on each floor and the stairways to each floor, as designated on the Master Plat, with the exception of the stairway to Unit H, shall constitute a limited common element of the units located on each floor. As such, each such corridor shall be reserved for the exclusive use of the owners of the units so situated and their families, guests and invitees and licensees. Also, all balconies appurtenant to any unit shall be limited common elements, as well as the exterior surface of all doors and windows of each unit.

(b) General Common Elements: The common elements shall consist of the land, and all improvements located thereon except the units and the limited common elements, including but not limited to the stairways and stairwells in the building, the first floor foyers, storage areas, plumbing pipes and pumps to the unit, water heaters not located in individual units, electrical wires and service, gas lines, extensions and supportive walls, attic, the structural and supportive portions of floors and the roof.

11. Insurance. Insurance policies upon the condominium property covering the items described in Subparagraph (b)

of this paragraph shall be purchased by the Association, as required by Sec. 85-1639(e) of the Georgia Condominium Act, for the benefit of the Association and the unit owners and their mortgagees as their interests may appear. Provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of unit owners.

(a) Insurance shall cover the following:

(1) All buildings and improvements upon the land and all personal property included in the common elements in an amount equal to the full replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association or if insurance in such amount is not available, at the highest value available. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and such other risks as are customarily covered with respect to buildings similar to the buildings on the land, such as vandalism and malicious mischief.

(2) Public liability in amounts not less than \$500,000.00 for injury, including death, to a single person; \$1,000,000.00 for injury or injuries, including death, arising out of a single occurrence; and \$50,000.00 property damage, and such coverage as shall be required by the Board of Directors of the Association and Section 39 of the Georgia Condominium Act, including but not limited to hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the unit owners as a group to a unit owner.

(3) Workmen's compensation as required by law.

(4) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

(b) Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

(c) The Association is hereby irrevocably appointed agent for each unit owner to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims.

12. Insurance Trustee.

(a) All insurance policies purchased by the Association shall provide that proceeds covering property losses shall be paid to such person or persons selected by the Board of Directors of the Association as a trustee, which party is herein referred to as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums, for the renewal of the sufficiency of policies, or for the failure to collect any insurance proceeds.

(b) The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold them in trust for the benefit of the unit owners and their mortgagees as follows. An undivided share of such proceeds on account of damage to common elements shall be allocated to the unit owners according to their shares of the common elements set forth in Paragraph 5. Proceeds on account of units shall be held for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Association. In the event a mortgagee

endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear.

(c) Proceeds of insurance policies received by the Insurance Trustee shall be distributed as follows:

(1) All expenses of the Insurance Trustee shall be first paid.

(2) If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be expended as provided in Paragraph 14. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

(3) If it is determined as provided in Paragraph 13 that the damage for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after a reconstruction and repair, the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

(4) In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association as to the names of the owners and their respective shares of the distribution, and as to whether or not the condominium is to be reconstructed or repaired.

13. When damaged property is to be reconstructed or repaired.

(a) If common elements are damaged, they shall be reconstructed or repaired, unless it is determined under Section 16 of the Georgia Condominium Act that the condominium shall be terminated.

(b) If the damaged property is the condominium building, and if units to which 50% or more of the common elements are appurtenant are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty (60) days after the casualty it is determined under the Georgia Condominium Act the condominium shall be terminated.

(c) If the damaged property is the condominium building, and if units to which more than 50% of the common elements are appurtenant are found by the Board of Directors to be not tenantable, the damaged property will not be reconstructed or repaired and the condominium will be terminated under the Georgia Condominium Act unless within sixty (60) days after the casualty the owners of at least 75% of the common elements agree in writing to such reconstruction or repair. No mortgagee shall have any right to participate in the decision as to whether damaged property shall be reconstructed or repaired.

(d) Any reconstruction or repair must be substantially in accordance with the plans of the original building, if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the condominium building, by the owners of not less than 75% of the common elements, including the owners of all damaged units, which approval shall not be unreasonably withheld.

14. Responsibilities and procedures as to payment for repairs.

(a) If damage occurs only to those parts of one unit for which the responsibility of maintenance and repair is that of the owner, then the owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

(b) Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.

(c) If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, assessments shall be made against the unit owners who own the damaged property, and against all unit owners in the case of damage to common elements, in sufficient amounts to provide funds to pay the estimated costs. Additional assessments may be made at any time during, or following the completion of, construction. Such assessments against unit owners for damage to units shall be in proportion to the cost of construction and repair of their respective units. Such assessment on account of damage to common elements shall be in proportion to the unit owner's share in the common elements.

(d) If the amount of the estimated costs of construction and repairs for which the Association is responsible is more than \$5,000.00, the sums paid upon assessments to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold

the sums paid such assessments and disburse them in payment of the costs of reconstruction and repair.

(e) The proceeds from assessments and insurance received by the Insurance Trustee shall be disbursed as follows:

(1) The portion of insurance proceeds representing damage, the reconstruction and repair of which is the responsibility of the owner, shall be paid by the Insurance Trustee to the unit owner, or, if there is a mortgagee endorsement, then to the unit owner and the mortgagee jointly, who may use such proceeds as they may be advised.

(2) The portion of insurance proceeds representing damage, the reconstruction and repair of which is the responsibility of the Association, shall be disbursed in payment of the costs of such repair and reconstruction in the manner required by the Board of Directors of the Association.

(3) The Insurance Trustee shall not be required to determine whether a disbursement is to be made, the identity of the payee, or the amount to be paid, but may rely upon a certificate of the Association stating such information.

15. Use restrictions. The use of the property of the Condominium shall be in accordance with the following provisions:

(a) Each of the units shall be occupied only by a family, its invitees and guests, as a residence and for no other purpose. Except as reserved to the Declarant, no unit may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first amending this Declaration to show the changes in the unit to be affected thereby.

(b) The common elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the units.

(c) No use or practice shall be permitted on the condominium property which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage allowed to accumulate nor any fire hazard allowed to exist.

(d) No residential unit owner shall permit any use of his unit or of the common elements which will increase the rate of insurance upon the condominium property without the consent of the Association.

(e) No residential unit owner shall add additional plumbing fixtures, washers or driers, or any major electrical appliances without the consent of the Association.

(f) All valid laws, zoning ordinances, and regulations of all governmental bodies which require maintenance, modification, or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

(g) No unit owner shall be permitted to keep more than one domesticated dog or cat in a residential unit; and such animal shall not be allowed in any common or limited common areas unless on a leash.

(h) Until the Declarant has completed and sold all of the units, neither the unit owners nor the Association nor the use of the condominium property shall interfere with

the completion of the contemplated improvements and the sale of the units. The Declarant may make such use of the unsold units and common areas as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of the property, and the display of signs.

(i) Reasonable regulations concerning the use of the condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-laws. Copies of such regulations and amendments thereto shall be furnished by the Association to all unit owners and residents of the Condominium upon request.

16. Compliance and Default.

(a) Each unit owner shall be governed by and shall comply with the terms of this Declaration, by the Articles of Incorporation and By-laws of the Association and all reasonable rules and regulations adopted pursuant thereto. A default shall entitle the Association or other unit owners to the relief described in Subparagraph (b) below in addition to the remedies provided by the Georgia Condominium Act and any other applicable law.

(b) A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect, or carelessness, or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances. In any proceeding arising because of an alleged

default by a unit owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

(c) The failure of the Association or any unit owner to enforce any covenant, restriction, or other provision of the Georgia Condominium Act, this Declaration, the Articles of Incorporation, or By-laws of the Association or any rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

17. Approval of Transfer or Lease of Unit.

(a) No unit owner may dispose of his unit or any interest therein by sale or lease, except to another unit owner in the condominium, without the prior written approval of the Association. If any unit owner shall acquire his title by gift, devise or inheritance, the continuance of his ownership of his unit shall be subject to the approval of the Association.

(b) A unit owner intending to make a bona fide sale or lease of his unit or any interest therein shall give to the Association written notice of such intention, together with the name and address of the intended purchaser or lessee, and such other information concerning the intended purchase or lease as the Association may reasonably require. In the case of a prospective sale, such notice, at the unit owner's option, may include a demand by him that the Association furnish a purchaser, if the proposed purchaser is not approved; and, if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell. A unit owner who has obtained his title by gift, devise, or inheritance shall give to the Association prompt notice of the acquiring of his title, together with such personal information as the Association may reasonably

require, and a certified copy of the instrument evidencing his title. If the notice to the Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a unit, the Association, at its election and without notice, may approve or disapprove the transaction or ownership.

(c) Within thirty (30) days after receipt of the notice described in Subparagraph (b) above, the Association must either approve or disapprove the proposed transaction or the continuance of ownership, as the case may be. If approved, the approval shall be stated in a certificate executed by the President and Secretary in recordable form, and shall be delivered to the purchaser, lessee, or new owner and shall be recorded in the public records of Chatham County, Georgia (except that a lease need not be recorded.) A fee not in excess of \$25.00 may be required as a prerequisite to the issuance of such a certificate.

(d) If the Association disapproves a proposed sale and if the notice of sale given by the unit owner shall so demand, then within thirty (30) days after receipt of such notice and information the Association shall deliver or mail by certified or registered mail to the unit owner an offer to purchase by a purchaser approved by the Association, or the Association itself, who will purchase and to whom the unit owner must sell the unit. At the option of such purchaser, to be stated in his offer, the price to be paid shall be that stated in the disapproved contract of sale or shall be the fair value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrator shall be two-appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the unit; and a judgment of specific

performance of the sale upon the award rendered by the arbitrators may be entered in the Superior Court of Chatham County, Georgia. The expense of the arbitration shall be paid by the purchaser. The purchase price shall be paid in cash, and the sale shall be closed within thirty (30) days after the delivery or mailing of such offer to purchase, or within ten (10) days after the determination of the sale price if such is by arbitration, whichever is the later.

(e) If the proposed transaction is a lease, the unit owner shall be advised of the disapproval in writing and the lease shall not be made. The provisions herein with regard to a lease shall be applicable also to a proposed rental agreement.

(f) If the Association disapproves the acquisition of title by gift, devise or inheritance, the provisions of Subparagraph (d) above shall apply (except that the purchase price shall be at fair market value determined by arbitration.)

(g) If the Association shall fail to provide a purchaser as required in Subparagraphs (d) and (f) above, then, notwithstanding the disapproval, the sale or ownership as the case may be shall be deemed to have been approved, and the Association shall furnish a certificate of approval as provided in Paragraph (c) above.

18. Mortgage and Acquisition by Mortgagee.

(a) No unit owner may convey his unit or any interest therein as security for a loan or mortgage his unit or any interest therein without the prior written approval of the Association, except to a bank, life insurance company, or a federal savings and loan association. The approval of any other

lender or mortgagee shall be subject to conditions determined by the Association.

(b) The provisions of Paragraph 17 shall not apply to a transfer to or purchase by a bank, life insurance company or federal savings and loan association which acquires its title as a result of owning a deed to secure debt or mortgage upon the unit concerned, and this shall apply whether the title is acquired by deed in lieu of foreclosure or through foreclosure proceedings. Nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or federal savings and loan association which acquires its title in such manner. Neither shall such provisions require the approval of a purchaser who acquires title to a unit at a duly advertised public sale with open bidding which is required by law, such as, but not limited to, execution sales, foreclosure sales, judicial sales, or tax sales. However, a unit owner who acquires his title or interest at, or as a result of, a foreclosure (or deed in lieu thereof) by a bank, life insurance company or federal savings and loan association or at a duly advertised public sale with open bidding which is required by law, shall then be subject to the provisions of this Declaration and the Articles of Incorporation and By-laws of the Association as shall any subsequent sale, lease or other disposition of said unit. Nothing contained herein, however, shall prohibit such bank, life insurance company or federal savings and loan association which is otherwise exempted by virtue of this paragraph from complying with the provisions in Paragraph 17, from voluntarily submitting itself to the provisions thereof.

19. Notice of lien or suit.

(a) A unit owner shall give notice to the Association of every lien upon his unit, other than for permitted

mortgages, taxes, and special assessments, within five (5) days after the attaching of the lien. Failure to comply with this subparagraph will not affect the validity of any judicial sale.

(b) Notice shall be given to the Association of every suit or other proceeding which may affect the title to his unit within five (5) days after the unit owner receives knowledge thereof.

20. Expansion of condominiums. The Condominium herein created shall be an expandable Condominium within the terms and provisions of this Declaration, the Georgia Condominium Act and as follows:

(a) The Declarant, hereby reserves, for his benefit or his successors in title and assigns, the right to expand the Condominium to include an additional floor above the existing and so declared Unit F of the condominium building.

(b) The Declarant's option to expand the Condominium shall be exercisable within seven (7) years of the date this Declaration is recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia; provided, however, by a vote of two-thirds (2/3) of the members of the Association exclusive of votes of the Declarant, the option to expand may be extended for any period of time if such consent is given within one (1) year prior to the date such option or any extension thereof would otherwise expire. There shall be no further limitations on the exercise of this option by the Declarant.

(c) The property to be added to the Condominium under the provisions of this expansion shall be bounded by the

roof of the present building, the vertical boundaries shall extend no further than the present exterior dimensions of that portion of the condominium building in which Unit F is located, and the upper horizontal boundaries shall be no further than the roof line of that portion of the condominium building in which Unit H is located.

(d) Any portion of the expanded property may be added to the condominium at any time during the period of the option or any extension thereof.

(e) There are no limitations on the location of any of the improvements to be placed within the expanded area, except that they must be within the boundaries set forth in Subparagraph (c) hereof.

(f) The expanded portion of the Condominium will be done so only to add an additional floor to Unit F. Said expansion will not be used to create an additional condominium unit.

(g) The structure added to the condominium building as a result of such expansion shall conform with the design and style of the existing building. The Declarant shall have the final decision as to the nature and appearance of all structures, and there are no assurances herein given that the additional property shall be identical to the existing structure in quality of construction, materials, architectural style or design and layout.

(h) If the condominium is expanded as provided herein, the percentage interest in the common elements and voting rights of the units shall not be affected.

21. Rights of First Mortgagees. Notwithstanding any of the foregoing provisions of this Declaration, the following provisions are hereby adopted for the protection of mortgagees of individual condominium units within the project, and to the extent that they conflict with the foregoing provisions, shall control:

(a) None of the foregoing provisions, nor any provisions of the By-laws of the Association shall entitle a condominium unit owner, declarant, or any other party, priority over any rights of first mortgagees of condominium units with regard to a distribution to condominium unit owners of insurance proceeds or condominium awards for losses to or the taking of condominium units of common elements.

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

(c) Any first mortgagee of an individual condominium unit shall have the right to examine the books and records of the Association or the Declarant.

(d) The Association shall provide, upon request, any first mortgagee of individual units within the project with written notice of any default in the performance of any obligation of any unit owner under this Declaration or By-laws of the Association which is not cured within sixty (60) days.

(e) Any first mortgagee of any individual condominium unit within the project who obtains title to a condominium pursuant to the provisions of the mortgage or foreclosure of the

mortgage shall not be liable for the unpaid dues or charges attributable to such unit which have accrued prior to the acquisition of title to such unit by the first mortgagee.

22. Amendments. This Declaration may be amended in the following manner:

(a) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

(b) A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Amendments must be approved by two-thirds (2/3) of the entire membership of the Association.

(c) No amendment shall discriminate against any unit owner or against any unit or class or group of units unless owners so affected shall consent. No amendment shall change any unit boundary nor the share in the common elements appurtenant to it, nor the owner's share of the common expenses, unless all unit owners and all record owners of liens thereon shall join in the execution of the amendment.

(d) A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia.

23. Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase, or word, or other provisions of this Declaration and the Articles of Incorporation, By-laws, and regulations of the Association shall not affect the validity of the remaining portions thereof.

24. This Declaration of Condominium was prepared by Donald B. Lowe, III, Post Office Box 8171, 24 East Oglethorpe Avenue, Savannah, Georgia, as Attorney for Declarant.

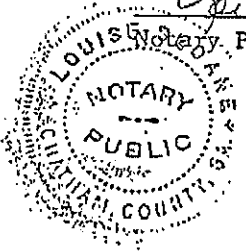
IN WITNESS WHEREOF, the Declarant has executed this Declaration of Condominium on the day and year first written above.

Ralph E. Walden
RALPH E. WALDEN, Declarant

Executed in the presence of:

Ina B. Burt

Louise Seoane
Notary Public, Chatham County, Georgia



LOUISE SEOANE
Notary Public, Chatham County, Ga.
My Commission Expires Sept. 26, 1981

EXHIBIT "A"

144

DESCRIPTION OF UNITS AND PERCENTAGE
INTEREST IN COMMON ELEMENTS

| <u>Identifying Condominium Unit Letter</u> | <u>Percentage of Undivided Interest in Common Elements, Liability for Common Expenses and Voting</u> | |
|--|--|--------|
| A | 9.2% | 1 Vote |
| B | 7.7% | 1 Vote |
| C | 17.9% | 1 Vote |
| D | 14.2% | 1 Vote |
| E | 9.9% | 1 Vote |
| F | 9.2 | 1 Vote |
| G | 16.0% | 1 Vote |
| H | 15.9% | 1 Vote |

EXHIBIT "A"
SUPPLEMENT I

145

The full legal description of the land of the
Condominium is as follows:

ALL that certain lot, tract or parcel of land situate,
lying and being in the City of Savannah, Chatham County,
Georgia, and being known upon the map or plan of
said City as Lot 66, Crawford Ward; said lot having a
Southern frontage on East Liberty Street of 60 feet,
with a rectangular depth Northwardly to Perry Lane,
(sometimes called "Colonial Place"), of 90 feet, more
or less, and being bounded on the North by said Lane;
on the East by Lot 65, said Ward; on the South by Liberty
Street; and on the West by Lot 67, said Ward;
this being the same property conveyed to S. W. BRADLEY
by HOYT D. JORDAN, by Warranty Deed dated September 13,
1979, and recorded in the Office of the Clerk of the
Superior Court of Chatham County, Georgia in Record
Book 113-M, Folio 199; and containing the premises
known under the present system of numbering of houses
in the City of Savannah, as 312 East Liberty Street.

An appropriate legal description for the conveyance
of each condominium unit would be as follows:

Unit "(A, B, C---H)", 312 East Liberty Condominium, a
condominium located in the City of Savannah, Chatham
County, Georgia, in Crawford Ward, and more fully de-
scribed in that certain Declaration of Condominium re-
corded in Deed Book 114-2, Folio- 118, in the
Office of the Clerk of Superior Court of Chatham County,
Georgia and as shown on the plat and plans of said
Condominium as recorded in said Clerk's Office in Con-
dominium Plat Book, pg 35,36,37,38, and 39. Specific
reference is hereby made to said Declaration and to said
Plats and Plans for better determining the metes and
bounds of the property herein conveyed.

AND ALSO an undivided _____% interest in and to the
common elements appertaining to said Condominium.

EXHIBIT "A"

SUPPLEMENT II

146

General description of the individual condominium units in 312 East Liberty Condominium. In the event the information herein contained shall conflict with the descriptions as shown on the Master Plat of the Condominium as recorded in Condominium Plat Book, pg 35, 36, 37, 38 and 39; the description as shown in said Master Plat shall control.

UNIT LETTER

GENERAL DESCRIPTION

A

Unit A consists of an entrance foyer, one combination living room/dining room, one bedroom, one full bath and one kitchen. The total heated area of said unit is 614.00 square feet. Unit A is located on the first floor of the main portion of the condominium building with an entrance from a common foyer shared with Unit B.

B

Unit B consists of an entrance foyer, a combination living room/dining room, one bedroom, one full bath, one kitchen and an exterior enclosed courtyard. The total heated area of said unit is 511.00 square feet; the area of the appurtenant courtyard is 96.0 square feet, more or less. Unit B is located on the first floor of the condominium building with an entrance from a common foyer shared with Unit A.

C

Unit C consists of an entrance foyer, one living room, one dining room, two bedrooms, two full baths, one kitchen and a utility room. The total heated area of said unit is 1,197.00 square feet. Unit C is located on the second floor of the main condominium building, directly above Units A and B, with an entrance from a common stairway which ascends from the same common entrance foyer serving Units A and B.

UNIT LETTERGENERAL DESCRIPTION

D

Unit D consists of an entrance foyer, a combination living room/dining room, two bedrooms, two full baths, and a kitchen. The total heated area of said unit is 947.00 square feet. Unit D is located on the third floor of the main condominium building directly above Unit C, with an entrance from a common foyer and a common stairway which ascends from the same stairway serving Unit C.

E

Unit E consists of an entrance foyer, a combination living room/dining room, one bedroom, one full bath, a kitchen and an exterior deck or patio. The heated area of said unit is 660.00 square feet; the area of the appurtenant deck is 160 square feet, more or less. Unit E is located on the third floor of the main condominium building, directly above a portion of Unit C and Unit H, with an entrance from the same common foyer and stairway that serves Unit D.

F

Unit F consists of a combination living room/dining room, one bedroom, one full bath, a kitchen and an exterior porch or patio. The heated area of said unit is 613.00 square feet; the area of the appurtenant porch is 115.0 square feet, more or less. Unit F is an expandable condominium unit, consisting of certain air rights directly above said unit and as more fully described in the Declaration of Condominium and shown on the Master Plat. Unit F is located entirely in the one story rear wing of the main condominium building, with an entrance across the appurtenant porch from the common lands of the condominium.

G

Unit G consists of an entrance foyer, a combination living room/dining room, two bedrooms, two full baths, a kitchen, and an exterior enclosed courtyard. The heated area of said unit is 1,066 square feet; the area of the appurtenant courtyard is 134.4 square feet, more or less. Unit G is located on the ground floor at the rear of the main condominium building, with an entrance from a common foyer shared with Unit H.

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UNIT LETTER

H

GENERAL DESCRIPTION

Unit H consists of a stairway which ascends from the common entrance foyer on the ground floor shared with Unit G, an entrance foyer, a combination living room/dining room, two bedrooms, two full baths, a kitchen, and an exterior deck. The heated area is 1,062 square feet, exclusive of the stairway; the area of the appurtenant patio is 168.0 square feet, more or less. Unit H is located on the second floor of the main condominium building, directly above Unit G, with an entrance to the herein described stairway from the first floor common foyer shared with Unit G.