

BY-LAWS
OF
CHADDS RIDGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is CHADDS RIDGE HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association"). The principal office of the corporation shall be located at 1279 Johnson Ferry Road, Suite 200, Marietta, Cobb County, Georgia 30067, but meetings of members and directors may be held at such places within the State of Georgia, County of Cobb, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Chadds Ridge Homeowners Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is subject to the Declaration as hereinafter defined, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Declaration" shall mean and refer to the Declaration of Protective Covenants for Chadds Ridge Subdivision as the term Declaration is more specifically defined in the Fourth Amendment to Declaration of Covenants, Conditions, Restrictions and Easements of Chadds Ridge, Unit I.

Section 5. "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation for Chadds Ridge Homeowners Association, Inc., or in these By-Laws.

Section 6. "Cotton States" shall mean and refer to Cotton States Properties, Ltd., a Georgia corporation.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock P.M., unless otherwise set by the Board of Directors. 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, unless otherwise set by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes of each class of membership shall constitute a quorum for any action or except as otherwise provided in these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) Directors, who must be members of the Association. Notwithstanding the foregoing, or any other provision to the contrary contained herein, however, the initial members of the Board of Directors shall be appointed by Cotton States and need not be members of the Association. Additionally, Cotton States shall have the right to remove the members of the Board of Directors, and appoint new members to the Board of Directors, until such time as Cotton States has conveyed all real property designated as Recreational Area, Detention Pond or other such property intended to be Common Area by Cotton States and has executed a written document evidencing its intent to relinquish its right to appoint members of the Board of Directors.

Section 2. Term of Office. At the first annual meeting, the members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter the members shall elect one (1) director for a term of three (3) years to replace the director whose term has expired.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties, provided said expense is first approved by the Board of Directors.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, one vote for each Lot owned. If a Lot is owned by more than one person, only one vote may be cast for said Lot. If all Owners do not agree on such vote, then no vote shall be cast for such Lot.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any dues levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) fix the amount of the annual dues of members, and send written notice of dues to every Owner subject thereto at least thirty (30) days in advance of each annual dues period;

(d) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(e) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(f) cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. 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 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.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notices of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Declaration provides for Cotton States to be the Architectural Control Committee until all Lots are sold and residences constructed thereon. Thereafter, the Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

DUES

The Board of Directors shall have the authority to set dues for membership. The dues set by the Board may be changed by a majority vote of the members.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: CHADDS RIDGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of every year, except that the first fiscal year shall begin on the date of incorporation.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of the CHADDS RIDGE HOMEOWNERS ASSOCIATION, INC., a Georgia corporation, and

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the _____ day of _____, 1992.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this _____ day of _____, 1992.

Secretary

IV(SEAL)

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**AMENDMENT TO THE BY-LAWS OF
CHADDS RIDGE HOMEOWNERS ASSOCIATION, INC.**

WHEREAS, Article XIII, Section 1 of the By-Laws of Chadds Ridge Homeowners Association, Inc. ("Association"), provides that the By-Laws may be amended by at least a majority of a quorum of members present in person or by proxy at a meeting of the Association; and

WHEREAS, this Amendment has been approved by at least a majority of a quorum of members of the Association present in person or by proxy at an Association meeting;

NOW, THEREFORE, the By-Laws of Chadds Ridge Homeowners Association, Inc., are hereby amended as follows:

1.

Article IV, Sections 1 and 2 of the By-Laws is hereby amended by deleting those Sections in their entirety and substituting the following therefor:

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors of five (5) persons. The directors shall be Owners of Lots or spouses of such Owners; provided, however, no Owner and his or her spouse or co-Owner may serve on the Board at the same time.

Section 2. Term of Office. Those directors serving on the date this Amendment to the By-Laws is adopted shall remain in office until the terms for which they were elected expire. Successor directors shall be elected by the vote of those members present or represented by proxy, at the annual or other meeting of the membership of the Association, a quorum being present. At the first election of directors after this Amendment to the By-Laws is adopted, the terms of successor directors shall be staggered on a one (1), two (2), and three (3) year basis. One (1) director shall be elected for one (1) year, two (2) directors shall be elected for two (2) years, and two (2) directors shall be elected for three (3) years. At the expiration of the term of office of each member of the Board of Directors, and at each annual meeting thereafter, a successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

IN WITNESS WHEREOF, the undersigned officers of Chadds Ridge Homeowners Association, Inc., hereby certify that the above Amendment to the By-Laws was adopted by the required majority of the Association and its membership.

This 28 day of January, 2002

**CHADDS RIDGE HOMEOWNERS ASSOCIATION,
INC.**

Sworn to and subscribed to before
me this 28 day of January
2002

Witness
Amy Pittner
Notary Public

[Notary Seal]

By: [Signature] (Seal)
President

Attest: [Signature] (Seal)
Secretary

[Corporate Seal]

IN WITNESS WHEREOF, the undersigned officers of Chadds Ridge Homeowners Association, Inc., hereby certify that the above Amendment to the By-Laws was duly adopted by the required majority of the Association and its membership.

This _____ day of _____, 19____.

CHADDS RIDGE HOMEOWNERS ASSOCIATION,
INC.

By: [Signature] [SEAL]
President

Attest: [Signature] [SEAL]
Secretary

[CORPORATE SEAL]

Sworn to and subscribed to
before me this 28 day of
January, 1999
2002

Witness

[Signature]
Notary Public

[NOTARY SEAL]