

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
CREEKWOOD COMMONS TOWNHOME ASSOCIATION, INC.**

**WHEREAS**, the Declaration of Covenants, Conditions and Restrictions for Creekwood Commons (hereinafter referred to as "Declaration") and the Bylaws ("Bylaws") of the Creekwood Commons Townhome Association, Inc. ("Association"), provide that the Association is responsible for maintenance and operation of the Creekwood Commons Community ("Community"); and

**WHEREAS**, Article VI, Section 1 of the Declaration outlines the maintenance responsibilities of the Association with regard to the Common Property and the Lots; and

**WHEREAS**, pursuant to Article VI, Section 1 of the Declaration, the Association maintains certain portions of the Lots and has the right, but not the obligation, to maintain other property not owned by the Association where the Board has determined that such maintenance would benefit the Owners; and

**WHEREAS**, Article VI, Section 2(e) provides that it shall be the duty of the Board of Directors to procure and maintain adequate liability and hazard insurance on property owned by the Association; and

**WHEREAS**, the Board of Directors has determined that it is of benefit to the Owners that it clarify the maintenance responsibilities of the Association as set forth in Article VI, as well as take on certain additional maintenance responsibilities as to the Lots pursuant to its authority under Article VI, Section 1, as further outlined in Exhibit "A" attached hereto and incorporated herein by reference; and

**WHEREAS**, the Board of Directors has further determined that it is in the best interest of the Association for the Board to promulgate a policy regarding the insurance that will be maintained by the Association and to take on responsibility for insuring parts of the Lots, as set forth in Exhibit "A"; and

**NOW THEREFORE**, the Board of Directors of the Creekwood Commons Townhome Association, Inc. hereby resolves, sets forth and adopts the following policy regarding the maintenance responsibilities of the Association and the insurance carried by the Association:

This Resolution and the policies, rules and regulations contained herein shall be effective upon adoption by the Board of Directors and the mailing or delivering of a copy of this Resolution to the Lot Owners in the Creekwood Commons Community.

**RESOLVED AND ADOPTED** by the Board of Directors of the Creekwood Commons Townhome Association, Inc., this 20th day of March, 2015.

  
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Director

  
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Director

  
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Director

## EXHIBIT "A"

### **A. Common Property & Lot Maintenance Performed by Association**

The Association shall maintain and keep in good repair the following:

(1) **Common Property Maintenance**. The Association shall be responsible for the maintenance, repair, and replacement, subject to any insurance then in effect, of the Common Property, including, but not limited to:

- (a) all Common Property as defined herein;
- (b) all Common Property landscaping and grassy areas not included in a Lot;
- (c) all entry features for the Property, including the landscaping associated therewith (whether or not such landscaping is on a Lot or a public right of way) and any and all irrigation and electricity systems serving such entry features;
- (d) parking areas, sidewalks and other concrete and paved areas not included in a Lot;
- (e) all property outside of Lots that was originally maintained by Declarant;
- (f) any ponds, playgrounds, open space located on the Common Property and any other property deeded to the Association by Declarant;
- (g) all water and sewer pipes or facilities serving the Common Property;
- (h) all drainage and detention areas which were originally maintained by the Declarant, to the extent such areas are not maintained on an ongoing basis by a local governmental entity;
- (i) any retaining walls located on the Common Property; and
- (j) all street signs within the Community to the extent any such signs are not maintained on an ongoing basis by a local governmental entity.

(2) **Pipes Serving More Than One Lot**. The Association shall maintain and repair all water pipes, fire system sprinkler pipes and sewer pipes or facilities which serve more than one (1) Lot and any portion of a pipe serving only one (1) Lot that is located outside of the Lot boundaries, to the extent that such pipes and facilities are not maintained by the Owner as set forth below or by public, private, or municipal utility companies;

(3) **Maintenance of Lots**. The Association will maintain, repair and replace the following portions of the Lots:

- (a) all roof surfaces and portions of roofs above the lowermost surface of the plywood underdecking, excluding all roof trusses, structural support and insulation;
- (b) all gutters and downspouts, including the cleaning thereof;
- (c) all exterior building surfaces (including all siding, masonry, stucco, privacy fences and columns, if any);

(d) all exterior painting and staining (including painting of all shutters, trim, doors and garage doors, privacy fencing and columns, if any);

(e) any retaining walls located on more than one Lot; and

(f) all mowing and edging of grass located on each Lot and maintenance and replacement of pine straw, mulch or stone on all beds on a Lot, specifically excluding the replacement of any dead trees, shrubs or other landscaping anywhere on the Lot. The association reserves the right (but shall not be obligated) to maintain the shrubs and the trees in the front of the Lots in order to provide a uniform appearance for the community.

(g) the grading and drainage of each Lot is the responsibility of each Lot owner pursuant to the Declaration. However, the Board reserves the right to assist in improving the drainage systems at Association expense. The Association assumes no liability for ground water damage to buildings. Lot owners are encouraged to purchase flood insurance.

(h) The Association will provide termite treatment for the buildings on the Lots. Provided, however, the Association will not be responsible for any property damage or repairs caused by termites or other pests. With the exception of termite treatment as provided herein, responsibility for all other pest control on a Lot is that of the individual Lot owner.

(i) The Association will pay for the cost of weekly household trash collection services, one trash container per household. The Association shall not be responsible for any other trash removal, including construction debris; tree or tree branch removal; appliance removal; furniture removal, or the like.

(4) **Specifically Not Included in the Maintenance Responsibility of Association.** Specifically excluded from the Association's maintenance responsibility are the following: (1) HVAC or similar equipment located outside the residence; (2) all doors (including screen, storm and garage doors), hinges, frames, locks, and hardware which are part of the entry system, except that the Association shall paint the exterior surface of the front door and garage doors; (3) hoses, exterior hose bibs, vents or water spigots contained in exterior walls of the residence; (4) exterior lighting fixtures pertaining to a particular residence and being located outside an entryway or in a garage; (5) window screens, frames, hardware and glass (to include storm windows and all components thereof); (6) pipes (including fire system sprinkler pipes and heads) which serve only one Lot located within the Lot's boundaries or, if partially located in the front yard on the Lot, outside the Lot's boundaries, the portion of the pipe located within the Lot's boundaries; (7) driveways on a Lot; (8) the replacement of any dead trees, shrubs or other landscaping anywhere on the Lot; (9) decks and patios; (10) all walkways, regardless of material comprised of, located on a Lot; (11) any retaining walls located entirely on one Lot; and (12) all improvements made by any Owner or Occupant.

Except as provided above, all maintenance of the Lot is the responsibility of the Owner thereof pursuant to the Declaration. Such maintenance shall be performed consistent with the Declaration and the Community-Wide Standard established pursuant hereto.

## **B. Insurance Carried by Association**

1. **Hazard Insurance.** The Association's Board of Directors or its duly authorized agent will obtain casualty insurance affording fire and extended coverage insurance for all structures in the Community; provided, however, the Association's insurance shall not include the Lot Owners' personal property (which shall be the sole responsibility of the Lot Owner). This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the

event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

2. **Association Public Liability and Directors' and Officers' Liability Insurance.** The Board will obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents in their capacities as such, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least one million (\$1,000,000.00) dollars.

3. **Premiums and Deductible on Association Policies.** Premiums for all insurance shall be Common Expenses of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

4. **Policy Terms.** All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective benefitted parties, as further identified in subparagraph (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company authorized to do business in Georgia.

(b) All policies on the Common Property shall be for the benefit of the Association and its members. Any policies covering improvements on Lots shall be for the benefit of the Owners and their Mortgagees, as their interests may appear.

(c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(e) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement, if these are reasonably available.

(f) The Association's Board of Directors will make every reasonable effort to secure insurance policies that will provide for the following:

(1) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents and guests;

(2) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(3) a statement that no policy may be canceled, subjected to nonrenewal, invalidated or suspended on account of any one or more individual Owners;

(4) a statement that no policy may be canceled, subjected to nonrenewal, invalidated or suspended on account of any defect or the conduct of any director, officer or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner or Mortgagee;

(5) a statement that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(6) a statement that no policy may be canceled, subjected to nonrenewal, or substantially modified without at least thirty (30) days prior written notice to the Association.

5. **Additional Association Insurance.** In addition to other insurance coverage required by this Section, the Board shall obtain workers compensation insurance (if and to the extent necessary to satisfy the requirements of applicable law) and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employees dishonesty coverage covering directors, officers, employees and other Persons handling or responsible for the Association's funds. The amount of a fidelity bond or employees dishonesty coverage, if obtained, shall be determined in the directors' best business judgment, but if reasonably available, shall not be less than three (3) months assessments plus a reasonable amount to cover all or a reasonable portion of the reserve funds in the custody of the Association at any time during the term of the bond. Such fidelity bond or employee dishonesty coverage, if obtained, shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation and shall not be subject to cancellation, nonrenewal or substantial modification without at least thirty (30) days prior written notice to the Association.

6. **Insurance Deductibles.** In the event of an insured loss under the Association's casualty policy, any required deductible will be considered a maintenance expense to be paid either by the Owner of the Property affected by the insured loss. If the loss affects more than one Lot or a Lot and the Common Property, the cost of the deductible may be apportioned and assessed equitably by the Board among the parties suffering loss in accordance with the total cost of repair, or otherwise as the Board reasonably determines equitable, unless the insurance policy provides that the deductible will apply to each Lot separately.

7. **Damage and Destruction.** Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent will proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessary to comply with applicable building codes.

8. **Flood Insurance.** The Association will not purchase flood insurance. Lot owners are encouraged to purchase flood insurance.