

BY-LAWS
OF
TRAILS END HOMEOWNERS ASSOCIATION, INC.

A Corporation Not for Profit under the Laws of the State of Georgia

ARTICLE I

NAME AND LOCATION

The name of the corporation is TRAILS END HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 171 Trails End Summit, Ellijay, Georgia 30540, but meetings of members and directors may be held at such places within the State of Georgia, County of Gilmer, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

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

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants and Restrictions for Trails End Subdivision, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owners, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Certificate" shall mean and refer to Certificate of Incorporation for the Trails End Homeowners Association, Inc...

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions for Trails End Subdivision applicable to the Properties recorded in the Office of the Register of Deeds for Gilmer County, Georgia.

Section 8. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration.

Section 9. "Assessment" means and refers to a share of the funds required for payment of the expenses of the Association, which funds shall be assessed against a Lot Owner from time to time.

Section 10. "Developer" means and refers to Mastercraft Properties, Inc. a Georgia Corporation, its successor and assigns.

ARTICLE III

MEMBERSHIP

Section 1. Membership of the Association is as set forth in the Declaration.

Section 2. The rights of membership are subject to the payment of regular and special Assessments levied by the Association, the obligation of which Assessments are imposed against each Owner of, and becomes a lien upon, that portion of the Property against which such Assessments are made as provided in the Declaration.

Section 3. Each Lot will have one (1) vote, even if said Lot is owned by more than one person, in any and all membership business requiring a vote of record. It is the responsibility of the joint owners to determine who is going to vote for said Lot.

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held at the discretion of the Developer. The sole purpose of this meeting will be to elect the officers and Board of Directors for the Association. Each subsequent regular annual meeting of the members shall be held on the third Saturday of March of each year thereafter, at the hour of 10:00 o'clock, A.M. 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 following Saturday which is not a legal holiday.

The order of business at each subsequent annual meeting will be as follows: Roll Call, Proof of Notice, Reading of the Minutes, Reports from Officers on Board of Directors, Election of Directors, Unfinished Business and New Business.

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 one-quarter (1/4) of the members who are entitled to vote.

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 15 days but not more than 60 days before such meeting to each member entitled to vote thereat, addressed to the members' 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-third (1/3) of the votes of the members shall constitute a quorum for any action except as otherwise provided in the Certificate of Incorporation, the Declaration, or 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 be represented.

Section 5. Proxies. At all meetings of members, each member eligible to vote 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.

Section 6. Minutes. Minutes shall be kept of all meetings of the Association and shall be available for inspection by association members at all times, during reasonable business hours. The Association shall retain said minutes for at least seven (7) years.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, three or four of whom will be the Officers of the Association and one or two at large position. All directors must be members in good standing of the Association.

Section 2. Term of Office. Directors will serve office for a term of one year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority of the votes of the general membership or by four-fifths (4/5) vote of the Board. 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 in his capacity as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties providing prior Board approval has been given for such expenses.

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 consistent with applicable law. 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. Nominations for the Board members shall be made and seconded from the floor at the annual meeting. Nominations must at a minimum equal, but can exceed the number of vacancies on the Board. All nominations are to be made by position title.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, 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 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 power to:

- (a) adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the members and their guests thereon, and to establish and enforce penalties for any infraction thereof;
- (b) to make and enforce reasonable rules and regulations applicable to any or all of the Property, to amend the rules and regulations from time to time, and to see that all Members are notified of such changes in the rules and regulations as may be enacted;
- (c) to enforce by any legal means the provisions of the Certificate of Incorporation, the Declaration, the By-Laws, and the rules and regulations duly promulgated by the Association;
- (d) to assume the responsibilities of the Developer in regards to Item C listed in the Addendum to Disclosure Agreement for Trails End Subdivision;
- (e) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (f) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (g) 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 meetings of the Board of Directors; and
- (h) employ a manager, or 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-quarter (1/4) of the 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) as more fully provided in the Declaration, to:

1. fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; and

2. send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. foreclose the lien against any property for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If any certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

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

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

(g) cause the Common Areas to be maintained;

(h) cause the exterior of the dwellings to be maintained; and

(i) manage the affairs of the Association.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, vice-president, secretary and treasurer, who shall at time be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create. All officers must be members in good standing of the Association.

Section 2. Election of Officers. The election of officers shall take place at the annual membership meeting.

Section 3. Term. The officers of this Association shall be elected annually by the Members and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. At least two of the officers elected must be full time Trails End Subdivision residents.

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 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, but are not limited to and may include other duties as required by the Board, are as follows:

President - 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 promissory notes.

Vice President - 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 - the secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice 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 or the office of the secretary.

Treasurer - the treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all promissory notes of the Association; keep proper books of account; cause an audit of the Association books to be made by a public accountant if requested by the Board of Directors or the Membership via special meeting approval; and shall prepare an annual budget and 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

Section 1. Architectural Review Committee. The Board of Directors will appoint two (2) or three (3) association members to serve as members of an Architectural Review Committee (Board members can also serve as committee members). The purpose of the Architectural Review Committee is to ensure that the ongoing integrity of the Trails End Subdivision is maintained. This will be accomplished by review and strict enforcement of the Declaration of Covenants and Restrictions for Trails End Subdivision and the Rules and Regulations established and approved by the Board of Directors.

Section 2. Deed Restriction/Violation Committee. The Board of Directors will appoint two (2) or three (3) association members to serve as members of a Deed Restriction/Violation Committee (Board members can also serve as committee members). This committee will review and assess any and all written complaints received from association members. All written deed restriction/violation complaints must be specific in stating the nature of the violation and signed by the complainant and will remain anonymous. Corrective action timeframes for any complaint found to be valid will vary and depend upon the type of violation.

Section 3. Other Committees. The Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose (Board members can also serve as committee members).

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 members. The Declaration, the Certificate of Incorporation and the By-Laws of the Association shall be available for inspection by any members at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at a rate determined appropriate by the Board, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of this Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have a corporate seal. The seal for this corporation shall have on it, the name of this corporation, the year of incorporation, and the words, "Georgia Not for Profit Corporation" or words of similar effect.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members after prior notice to all members of the proposed amendment, by a two-thirds (2/3) majority of the votes cast by members present in person or by proxy. However, the provisions which are governed by the Certificate of Incorporation of this Association may not be amended except as provided in the Certificate of Incorporation or applicable law. Any matters stated herein to be or which are in fact governed by the Declaration may not be amended except as provided in the Declaration.

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

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the January 1 of each year; provided, however, that the Board of Directors may adopt a different fiscal year, in accordance with the provisions of the Internal Revenue Code of the United States of America, at such time as the Board of Directors shall deem it advisable.

Section 2. Depositories. The funds of the Association shall be deposited in a savings and loan association or bank(s) in Gilmer County, Georgia, in an account for the Association under resolutions duly approved by the Board of Directors, and the funds shall be withdrawn only over the signature of authorized officers. Said funds shall be used only for Association purposes.

Section 3. Records. The Association shall maintain the following official records of the Association:

- a. Copy of plans, specifications, permits and warranties, related to improvements constructed on any Common Areas or the other property the Association is obligated to maintain, repair or replace;
- b. Copy of the By-Laws and each amendment thereto;
- c. Certified copy of the Certificate of Incorporation of the Association and all amendments thereto;
- d. Copy of any current rules of the Association;
- e. Book of minutes of the Association general membership meeting and Board of Directors meeting, which shall be maintained for at least seven (7) years.
- f. Current roster of all members, their mailing addresses, parcel identification and telephone number, if known;
- g. All insurance policies or copies thereof, which shall be maintained for a least seven (7) years;
- h. Copy of the Declaration and each amendment thereto;
- i. A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has any obligation or responsibility. All bids received by the Association for to be performed must be maintained for a period of one (1) year;
- j. The financial and accounting records of the Association must be kept according to good accounting practices. All financial and accounting records must be maintained for a period of seven (7) years. The financial and accounting records must include:
 - a. Accurate, itemized and detailed records of all receipts and expenditures.
 - b. A current account and a periodic statement of the account for each Member, designating the name and current address of each Member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.

- c. All tax returns, financial statements, and financial reports of the Association.
- d. All other records that identify, measure, record, or communicate financial information.

Section 4. Annual Statement. The Board of Directors shall present at each annual meeting of the Members, a full and clear statement of the business and condition of the Association. This statement shall include the annual financial report of the actual receipts and expenditures.

Section 5. Insurance. The Association shall procure, maintain and keep in full force and effect, all insurance required by the Declaration.

Article XV

Rules of Construction

Section 1. Severability. The invalidity in whole or in part of any Article, section, subsection, sentence, clause, phrase, word or other provision of these By-Laws, shall not affect the remaining portions thereof, and the remaining portions thereof shall be read, as if said invalid, illegal, or unenforceable provision had never been part of these By-Laws.

Section 2. Gender and Number. As used herein, all singular words include the plural, and all plural words include the singular. The use of the feminine, masculine, or neuter gender includes all genders.

Section 3. Headings and Subtitles. All subtitles and section headings used herein are for administration purposes only and shall not be used for substantive and interpretative purposes.

I HEREBY CERTIFY that the foregoing By-Laws of the above-named corporation were duly adopted by the Board of Directors of said Association on the 30 day of JUNE, 2007.

TRAILS END HOMEOWNERS ASSOCIATION, INC.

By: Daniel L Herrygers

Daniel L Herrygers, as President

WITNESSETH:

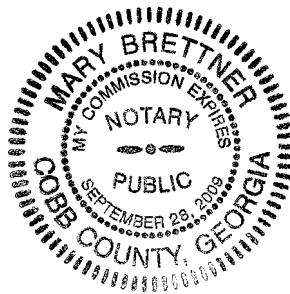
(signature) SAL J. JESUELE
(print name) SAL J. JESUELE

(signature) Constance L Libby
(print name) CONSTANCE L LIBBY

STATE OF GEORGIA

COUNTY OF GILMER

The foregoing instrument was acknowledged before me this 30th day of June, 2007, by Daniel L Herrygers, as President of the Trails End Homeowners Association, Inc. a Georgia Not for Profit Corporation, on behalf of the corporation.



Mary Brettner

Notary Public

My Commission Number is:

My Commission Expires: 9-28-2009