

BY-LAWS
OF
Blue Mountain Air Park Property Owners Association, Inc.

ARTICLE I
NAME AND LOCATION

1.1 Name and Location. The name of the Association shall be Blue Mountain Air Park Property Owners Association, Inc., a Georgia nonprofit corporation ("Association") located at 4749 East Broomtown Rd., Trion, Georgia in Walker County, Georgia.

ARTICLE II
DEFINITIONS

2.1 General. The terms used in these By-laws, unless otherwise specified or unless the context otherwise requires, shall have the meanings specified in the Georgia Nonprofit Corporation Code, as amended (the "Act") and the Declaration of Protective and Restrictive Covenants for "Blue Mountain Air Park" (hereinafter called the "Declaration"). Statutory references shall be construed as meaning the referenced statute or portion thereof as the same may exist from time to time.

ARTICLE III
ASSOCIATION: MEMBERSHIP, MEETINGS OF MEMBERS, QUORUM, VOTING, PROXIES

3.1 Membership. The membership of the Association shall be made up of all Owners of "dwelling units" or "lots", not only of Blue Mountain Air Park, but also future units of Blue Mountain Air Park filed of record in Walker County, Georgia, by Blue Mountain Air Park Property Owners Association, Inc., a Georgia corporation, its successors or assigns.

3.2 Membership Appurtenant to Ownership. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, and such membership shall be terminated without the necessity of any formal action upon the recording of a valid instrument terminating or transferring the vested, present interest of the Owner in any Lot.

3.3 Place of Meeting. Meetings of the Association shall be held within the Blue Mountain Airpark or at such other suitable place as designated by the Board/Officers.

3.4 Annual Members' Meetings. The annual meeting of the members of the Association shall be held at the time and place designated by the Directors of the corporation. The annual meeting of the members for any year shall be held no later than thirteen (13) months after the last preceding annual meeting of members.

3.5 Special Members' Meetings. Special meetings of the Members may be called at any time by the President, or if the President is absent or is unable or refuses to act, by the Vice-President, or by any two (2) members of the Board or by one (1) Board member if there is only one member or upon a petition signed by at least ten percent (10%) of the voting interests.

3.6 Notice of Members' Meetings. The Secretary of the Association ("Secretary") shall cause written notice stating the place, day, and hour of any meeting of the Members to be delivered by hand delivery or United States mail, postage prepaid, to each Member, or, if permitted by Georgia law, by facsimile, computer, fiber optics, cable, or other similar communication devices or such other manner which is reasonably calculated, as determined in the discretion of the Board, to provide personal notice to the Members entitled to notice. Such notice shall be delivered not less than fourteen (14) nor more than sixty (60) days before the date of such meeting.

3.6.1 Notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called. In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No other business shall be transacted at a special meeting except as stated in the notice.

3.6.2 If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage prepaid. If sent by facsimile, computer, fiber optics, cable, or such other similar communication device, notice shall be deemed to be delivered when transmitted to the Member at his or her address or number as it appears on record with the Association. The failure of any Member to receive actual notice of the meeting of the Members shall not affect the validity of any action taken at such meeting.

3.7 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, in person or by proxy, waive notice of any meeting of the Association, either before or after such meeting. Neither the affairs transacted nor the purpose of the meeting need be specified in the written waiver. Attendance at a meeting by a Member, either in person or by proxy, constitutes waiver of notice and waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, unless the Member attends a meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs.

3.8 Adjournment of Meetings. A majority of the Members who are present at any annual or special members' meeting may adjourn the same to a different date, time, or place, even if a quorum does not exist. However, any such adjournment to a different date, time, or place must be announced at that meeting before the adjournment is taken or notice must be given of the new date, time, or place pursuant to section above. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.

3.9 Voting of Members. All Members may vote at a meeting by voice vote, written ballot, general or limited proxy. All votes of the Members at meetings shall be subject to the quorum requirements of Section 3.13 of these By-Laws.

3.9.1 All Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership. In the event that more than one (1) person, group of persons or entities is a record owner of a fee interest in any Lot, then the vote for membership appurtenant to such Lot shall be exercised as such persons among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. In the event Owners of a Lot cannot agree as to which Owner shall be entitled to vote or cannot agree as to a unified vote on the issue being voted upon, then in that event said vote shall not be a valid vote and shall not be counted in a tabulation of the votes but may be counted for a quorum.

3.10 Suspension of Voting Rights. During any period in which a Unit Owner shall be in default in payment of any assessment, the Board of Directors may suspend the voting rights of such Unit Owner until such assessment has been paid. Such rights of a Unit Owner may also be suspended, for a period not to exceed 30 days, for violation of any rules and regulations established by the Board of Directors.

3.11 Proxies. Members may vote in person or by proxy. Each proxy shall be in writing, dated and duly signed, shall state the date, time, and place of the meeting for which it was given, and shall be filed with the Secretary prior to the vote at the meeting for which the proxy states it is to be effective. Proxies shall be deemed filed with the Secretary, upon receipt if delivered by personal delivery, U.S. mail or facsimile addressed to the Secretary at the address or facsimile number for the Association. Each proxy shall be revocable by written notice to the Association. Each proxy shall automatically cease upon conveyance by a Unit Owner of his Unit and shall be effective only for the meeting specified therein. The presence in person by the giver of the proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

3.12 Majority. As used in these By-Laws, the term "majority" shall mean those votes, Members, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

3.13 Quorum. 30% of the members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members.

3.13.1 If a quorum is present, the affirmative vote of the majority of the members represented at the meeting and entitled to vote on the subject matter shall be the act of the members unless otherwise provided by law or these By-laws.

3.13.2 After a quorum has been established at a members' meeting the subsequent withdrawal of members, so as to reduce the number of members entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof.

3.14 Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall ensure that minutes of the meeting are kept and that all resolutions adopted at the meeting, as well as all transactions occurring at the meeting, are recorded in a minute book.

ARTICLE IV
OFFICERS AND BOARD OF DIRECTORS

4.1 General Powers. Subject to the limitations of the Articles of Incorporation and these By-laws, all Association powers shall be exercised by or under the authority of the Officers and Board of Directors, and the business and affairs of the Association shall be controlled by the Officers and the Board.

4.2 Number, Tenure, Qualifications and Elections. The Association shall be managed by a President, Vice-President, Secretary and Treasurer, who shall be elected at the annual members' meeting. The Officers shall also constitute the Board of Directors. Officers and the Board shall serve until the next succeeding annual meeting and until their successors have been elected and qualified.

4.3 Removal of Officers/Directors. Officers/Directors may be removed and vacancies filled as follows:

(a) By the Members:

Any Officer/Director may be removed from office with or without cause by the vote or agreement in writing of a majority of all votes of the membership, so long as such removal is in compliance with Georgia Statutes, or its successor law, as the same may be amended from time to time.

(b) By the Officers/Board:

Any Officer/Director who has two (2) or more consecutive unexcused absences from Board meetings may be removed by a vote of a majority of the other Directors at a regular or special meeting of the Board. No such action may be taken without reasonable notice to the subject Director and an opportunity to defend against any such charges.

4.3.1 A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled for the unexpired portion of the term by appointment by a majority of the Officers/Directors.

4.4 Regular Meetings/Notice of the Same. Regular meetings of the Officers/Directors shall be held at intervals as determined by the Officers/Directors but no less frequently than annually) at such time and place as the Officers/Directors shall determine. Except in the case of emergencies, notice of the time and place of a meeting shall be communicated to all Members by e-mail or phone call. Notwithstanding the above, no assessment may be levied at a Board meeting unless the notice of the meeting to the members is sent and includes a statement that assessments will be considered and the nature of the assessment. Further, written notice of any meeting at which assessments will be considered or at which rules regarding Lot use will be adopted, amended or revoked must be mailed (or e-mailed) or hand-delivered to the Members. The failure of any Member to receive actual notice of a meeting of the Officers/Directors does not affect the validity of any action taken at that meeting.

4.5 Special Meeting/Notice of the Same. Special meetings of the Board of Directors may be called by the President on fourteen (14) days notice to every director given by mail, including e-mail, or telephone and stating the time, place and purpose of the meeting. Special meetings shall be called by the President, Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least 10% of membership. All membership must be advised as well of any special meetings, including time, place and purpose of the meeting.

4.6 Waiver of Notice. The transaction of any meeting of the Officers/Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held and noticed if (a) a quorum is present, and (b) either before or after the meeting each of the Officers/Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Attendance of a Officer/Director at a meeting shall also constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a Officer/Director states, at the beginning of the meeting or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting is not lawfully called or convened.

4.7 Quorum. At all meetings of the Officers/Directors, a majority of Officers/Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Officers/Directors present at a meeting at which a quorum is present shall constitute the decision of the Officers/Directors, unless otherwise specifically provided in these By-Laws, the Articles or the Declaration. If any meeting of the Officers/Directors cannot be held because a quorum is not present, a majority of the Officers/Directors present at such meeting may adjourn the meeting to another time and place. Notice of any such adjourned meeting shall be given to the Officers/Directors who were not present at the time of the adjournment, and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Officers/Directors.

4.8 Compensation. No Officer/Director shall receive any compensation from the Association for acting as such; provided however, any Officer/Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Officers/Directors. Nothing herein shall prohibit the Association from compensating an Officer/Director, or any entity with which an Officer/Director is affiliated, for services or supplies furnished to the Association in a capacity other than as an Officer/Director pursuant to a contract or agreement with the Association, provided that such Officer's/Director's interest was made known prior to entering into such contract and such contract was approved by a majority of the Officers/Directors, excluding the interested Officer/Director.

4.9 Conduct of Meetings. The President shall preside over all meetings of the Officers/Directors. The Secretary shall ensure that a minute book is kept of all meetings of the Officers/Directors, and record all resolutions adopted by the Officers/Directors and all transactions and proceedings occurring at such meetings.

4.10 Open Meetings. All meetings of the Officers/Directors shall be open to all Members, but a Member other than an Officer/Director may not participate in any discussion or deliberation unless the Member speaks on a matter placed on the agenda by petition of the voting interests. There will be a three minute time limit when speaking. Notwithstanding the above, the Officers/Directors may exclude Members to hold discussions between the Officers/Directors and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege.

4.11 Powers. The Officers/Directors shall have all of the powers and duties necessary and appropriate for the governance of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these By-Laws, the Articles, and as provided by Georgia law. The Officers/Directors may do or cause to be done all acts and things not required by the Declaration, the Articles, these By-Laws, or Georgia law to be done and exercised exclusively by the

Members. The Officers/Directors may delegate powers to committees, a management agent or agents, or employees of the Association.

4.12 Powers and Duties. The Officers/Directors of the Association shall each have such powers and duties as generally pertain to their respective offices:

4.12.1 President. The President shall be the chief executive officer of the Association and shall exercise general supervision and direction of the affairs of the Association.

4.12.2 Vice President. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting. In addition, the vice-president shall be chairman of the architectural committee.

4.12.3 Secretary. The Secretary shall be responsible for keeping the minutes of all meetings of the Association and the Board. The Secretary shall attend to the giving of all notices to the members and Directors and other notices required by law. He or she shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the President.

4.12.4 Treasurer. The Treasurer shall have primary responsibility for the preparation of the budget. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Officers/Directors for examination at reasonable times. He or she shall submit a Treasurer's report at reasonable intervals and shall perform all other duties incident to the office of Treasurer and as may be required by the President. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Officers/Directors.

4.12.5 Additional Officers/Directors Duties. In addition to the duties of the offices listed above, the Officers/Directors duties shall include:

4.12.5.1 preparing and adopting annual budgets;

4.12.5.2 levying and collecting regular annual assessments against the Members; Levying and collecting special assessments that have been approved by the majority of the membership;

4.12.5.3 providing for the operation, enforcements, care, upkeep, and maintenance of the common areas, including the airstrip, the roads (once completed by the developer), and easements;

4.12.5.4 all work contracted by the Association (Officers/Members/etc.) whose gross value is \$500 or greater shall be agreed upon in a written and signed contract prior to the commencement of any work. All changes to proposals, bids, and/or original contract documents and agreements in excess of 10% of the original contract shall be approved in writing by the Officers/Directors prior to the commencement of any work. All work shall be awarded by competitive bidding, using no less than three bids where possible.

4.12.5.5 retaining the services of a managing agent or agents and/or designating, hiring, and dismissing such other personnel as are necessary to perform the powers and responsibilities of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of the equipment, supplies, and material to be used by such personnel in the performance of their duties;

4.12.5.6 approving and opening a bank depository to receive funds on behalf of the Association and depositing all such funds therein and using such funds to operate the Association; provided, any reserve fund may be deposited, in the Officers'/Directors' best business judgment, in depositories other than banks and designating signatories thereon;

4.12.5.7 adopting Rules and Regulations governing the use of the Common Areas and the improvements thereon and for use of the Lots and establishing sanctions for infractions thereof;

4.12.5.8 making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the Declaration, the Articles and these By-Laws; any expenditures over \$500 not included in annual budget must be approved by membership.

4.12.5.9 enforcing by legal means the provisions of the Governing Documents; provided, however, the Officers/Directors shall not be obligated to take any action regarding any alleged violation of the Governing Documents which the Officers/Directors reasonably determines is, or is likely to be, inconsistent with applicable law, or if the Officers/Directors reasonably determines that the Association's position is not strong enough to take such enforcement action, or if the Officers/Directors otherwise determines, in its business judgment, that such enforcement action would be inappropriate;

4.12.5.10 obtaining and carrying insurance, as required in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

4.12.5.11 paying all taxes and/or assessments which are or could become a lien on the Common Areas or a portion thereof;

4.12.5.12 paying the cost of all services rendered to the Association or Members and not chargeable directly to specific Members;

4.12.5.13 keeping books with detailed accounts of the receipts and expenditures of the Association;

4.12.5.14 indemnifying an Officer/Director, or committee member, or former Officer/Director, or committee member of the Association to the extent such indemnity is permitted or required by Georgia law and the Articles, and purchasing insurance providing such indemnification; and

4.12.5.15 supervising all agents and employees of the Association to ensure that their duties are properly performed.

4.13 Management. The Association may, but shall not be required to, employ a professional management agent or agents at compensation established by the Officers/Directors to perform such duties and services as the Officers/Directors shall authorize. The Officers/Directors may delegate to the management agent such powers as are necessary to perform its assigned duties; provided, the Officers/Directors may not delegate policy-making authority. Any agreement for the services of any management agent shall provide for termination by the Association with or without cause, and without payment of a termination fee, upon thirty (30) days written notice, and no such agreement shall be for a duration in excess of one (1) year, renewable by agreement of the parties for successive one (1) year periods.

4.13.1 No remuneration shall be accepted by the management agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise, and anything of value accepted shall benefit the Association. In addition, any financial or other interest which the management agent may

have in any firm providing goods or services to the Association shall be disclosed promptly to the Officers/Directors.

4.14 Accounts and Reports. Accounting and controls should conform to generally accepted accounting principles.

4.15 Borrowing and Security for Debt. The Association, acting through its Officers/Directors, shall not have the power to borrow money for any legal purpose or to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred without membership approval.

4.16 Rights of the Association. Subject to applicable law relating to Member, Officers/Directors conflicts of interest, the Association shall have the right to contract with any person for the performance of various duties and functions. Contractors utilized by the Association shall be licensed and insured.

4.17 Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) different individuals who are Officers/Directors of the Association. The Officers/Directors shall require signatures for the withdrawal of reserve funds of two (2) Officers/Directors. For purposes of this Section, "reserve funds" means monies the Officers/Directors has identified in the capital expenditures budgets for use to defray the future repair or replacement of those replaceable assets which the Association is obligated to maintain and for use in making additional capital improvements and purchasing additional capital assets.

ARTICLE V **COMMITTEES**

5.1 Committees. The Officers/Directors shall establish such committees as are required under the Declaration or these By-Laws and may establish such other committees as are authorized or that it deems appropriate. Any such committee may perform such tasks and functions as the Officers/Directors may designate; provided, no committee or committee member may exercise any power or authority which could not otherwise be exercised by the Officers/Directors.

5.1.1 Committee members may, but need not, be an Officer/Director, employees of the Association or the managing agent, or Members. Committee members serve at the Officers'/Directors' discretion for such periods as they may designate. Each committee shall operate in accordance with the terms of the motion or resolution establishing such committee or as may be provided in the Declaration.

5.2 Meeting Requirements. Except as provided below, in conducting its duties and responsibilities, each committee shall abide by the procedures and requirements applicable to the Officers/Directors set forth in these By-laws. Notwithstanding the above, the following exceptions apply:

5.2.a regular meetings of committees may be held more or less frequently than monthly at the discretion of each committee;

5.2.b the membership notice requirements contained in Sections 3.6 and 4.4 and 4.5 and the open meeting requirements contained in Section 4.10 shall only apply as follows:

5.2.b.1 when committees will make a final decision regarding the expenditure of association funds;

5.2.b.2 for all committee meetings of any committee vested with the power to approve or disapprove architectural decisions with respect to a Lot; or

5.2.b.3 for all committee meetings when a quorum of the full board is in attendance at any committee meeting.

ARTICLE VI **MISCELLANEOUS**

6.1 Fiscal Year. The fiscal year of the Association shall be each calendar year, January 1 through December 31 unless otherwise established by Officers'/Directors' resolution.

6.2 Parliamentary Rules. Except as may be modified by Officers'/Directors' resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Georgia law, the Articles, the Declaration, or these By-Laws.

6.3 Conflicts. If there are conflicts between the provisions of Georgia law, the Articles, the Declaration, and these By-Laws, the provisions of Georgia law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

6.4 Books and Records. The Association shall keep such books and records as by law provided and shall make same available for inspection by any Unit Owner, any institutional holder of a first mortgage on a Unit, and their respective agents and attorneys, for any proper purpose at any reasonable time. In addition, an annual report of the receipts and expenditures of the Association shall be rendered by the Board of Directors to all Unit Owners, and to each institutional holder of a first mortgage on a Unit having theretofore requested same in writing, within three (3) months after the end of each fiscal year.

Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications shall be in writing and shall be sent as follows:

6.4.a if to a Member, at the address (including e-mail) which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot owned by a Member;

6.4.b if to the Association, the Officers/Directors, or the management agent, at the principal office of the Association or the management agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this section;

6.5 Indemnification. Subject to any limitations imposed by applicable law, the Association shall indemnify every officer, Director, employee or agent of the Association as provided in the Articles.

6.6 Amendment. These By-Laws may be amended only by the affirmative vote of a majority of the membership at a regular or special meeting of the Officers/Directors called for that purpose; provided however, that these By-Laws may not be so amended by the Officers/Directors in any manner which would be inconsistent with the Declaration or the Articles.

6.6.1 Amendments to these By-Laws shall become effective upon the recordation of an amendatory instrument executed by the President and Secretary of the Association and recorded in the Public Records of Walker County, Georgia.

Blue Mountain Air Park Property Owners Association, Inc. By-Laws (con't)

The foregoing was adopted as the By-Laws of Blue Mountain Air Park Property Owners Association, Inc., a corporation not for profit under the laws of the State of Georgia, by majority vote of the Lot owners in accordance with the Articles of Incorporation of the Association of the Declarant on this _____ day of _____, 2008.

Blue Mountain Air Park Property Owners Association, Inc.

Signatures:

BY: _____

Print Name: _____

As Its President

ATTEST: _____

Print Name: _____

As Its Secretary