

Georgia Association of REALTORS®

**EXPEDITION:
EXCELLENCE**

2012 Inaugural Meeting
Grand Hotel Marriott Resort, Golf Club & Spa
Point Clear, Alabama • February 8-11



Education Session I

Do Community Covenants Protect or Restrict? Depends on Who Owns the Fence

Jamie Platt Lyons, Esq.
Thursday, February 9, 2012

You must attend three (3) mini-sessions in order to earn three (3) hours Georgia C.E. credit, six (6) sessions for six (6) hours credit. Partial credit is not available. The mini-session course codes are 62153 and/or 62154.

Due to seating capacities dictated by local fire code ordinances, seating for all education sessions will be based on a first come-first serve basis. GAR will not be allowed to have attendees sitting on the floor or standing up once the room's seating is full.

In order to foster a spirit of camaraderie and to avoid the appearance of recruitment, no nametags or clothing with a company logo will be allowed in the education courses. Should an attendee have one on at the time of entering an education course, the facilitators will kindly ask you to remove the name badge or place a blank nametag over the company logo. We appreciate your cooperation in regards to this matter!

**Do Community
Covenants Protect or
Restrict?
Depends on Who Owns
the Fence!**

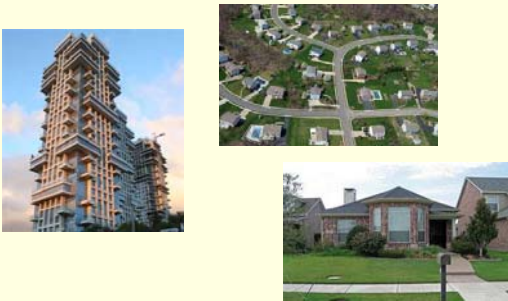


Roadmap and Outline

- **Architecture vs. Legal Structure**
- **Association vs. Covenants**
- **Types of Communities with Covenants**
- **Common Closing Issues**

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Architecture vs. Legal



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Architecture vs. Legal






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Association vs. Covenants

Association = C _ _ _ _ _ _ _ _ n

Covenants = Private L _ _ s

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Association vs. Covenants

Association = C _ r p _ r _ t _ _ n

Covenants = Private L _ w s

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Association vs. Covenants

Essential Questions:

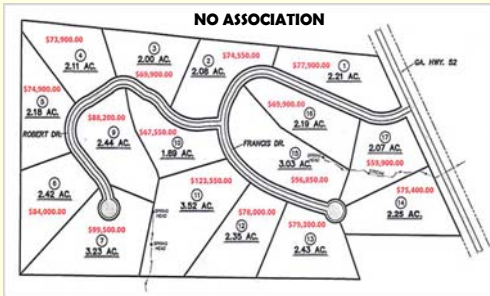
Do you have to have a **corporation** to have **private laws**?

OR

Do you have to have **private laws** to have a **corporation**?

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Communities with Covenants



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Communities with Covenants



Mandatory Membership Association



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Communities with Covenants

Voluntary Membership



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Communities with Covenants



Voluntary – Mandatory Hybrid

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Communities with Covenants



Mandatory on Paper, but Defunct in Reality

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Communities with Covenants

- No Association
- Mandatory Membership Assoc.
 - Voluntary Association
- Voluntary-Mandatory Hybrid
 - Mandatory, but Defunct

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Common Closing Issues

Buyer does not know what he/she **is buying.**

Buyer does not know what he/she **wants to buy.**

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Common Closing Issues

- Liens (with & without Short Sale)
- Who Pays What at Closing?
 - Closing Letter Fee
 - Transfer Fee
 - Initiation Fee
 - Special Assessment
 - Fee for lot to be mandatory membership
- Notice of Violation
- Condominiums and FHA-Backed Loans

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Summary and Review

Architecture vs. Legal Structure

Association vs. Covenants

Corporation vs. Private Laws

Types of Communities with Covenants

**No Association, Mandatory, Voluntary,
Conversions, Mandatory but Defunct**

Common Closing Issues

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