



2790 - 2849 ASHWOOD PLACE
870 - 882 ASHWOOD WALK
2823, 2828 - 2887 ROYAL BLUFF

Decatur, Georgia

Established 1992

Ashwood Homeowners Association

Governing Documents Summary

June, 2005

Note to the reader: This work represents a text-only extraction from the principle governing documents of the Ashwood Homeowners Association. When viewed online using Adobe Acrobat version 6.0 (or higher), you will have the ability to do quick searches based on key words and phrases.

No guarantee is given for 100% accuracy in this content, as image translation errors may exist. As such, you may download the full scanned versions of these documents from the association's web site at www.ashwood30030.org.

In addition, hardcopy versions of these documents in their original form are on file with the Clerk of the Superior Court for DeKalb County, Georgia.

The documents are as follows, with colors shown matching the text content. Any text in strike-thru fonts (such as ~~this~~) represents language that has been revised or removed by a subsequent document. The color of the ~~strike thru text~~ indicates the document affecting those changes.

1. [Bylaws of Ashwood Homeowners Association, Inc.](#)
2. [Ashwood Covenants](#)
3. [Ashwood Covenants, First Amendment](#)
4. [Ashwood Covenants, Second Amendment](#)
5. [Ashwood Covenants, Third Amendment](#)
6. [Ashwood Covenants, Fourth Amendment](#)

BYLAWS

OF ASHWOOD HOMEOWNERS ASSOCIATION, INC.

Steven M. Winter, Esq.
WEINSTOCK & SCAVO, P.C.
3405 Piedmont Road, NE
Suite 300
Atlanta, Georgia 30305

- TABLE OF CONTENTS -

ARTICLE I	NAME AND DEFINITIONS.....	1
	Section 1. Name.....	
	Section 2. Definitions.....	
ARTICLE II	ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES.....	1
	Section 1. Place of Meetings.....	1
	Section 2. Annual Meetings.....	1
	Section 3. Special Meetings.....	1
	Section 4. Notice of Meetings.....	1
	Section 5. Waiver of Notice.....	1
	Section 6. Adjournment of Meetings.....	2
	Section 7. Voting.....	2
	Section 8. Proxies.....	2
	Section 9. Quorum.....	2
	Section 10. Conduct of Meetings.....	2
	Section 11. Record Date.....	2
	Section 12. Action by Written Ballot.....	2
ARTICLE III	BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS.....	3
	A. Composition and Selection.....	3
	Section 1. Governing Body; Composition.....	3
	Section 2. Nominations of Directors.....	3
	Section 3. Vacancies.....	3
	Section 4. Removal of Directors.....	3
	B. Meetings.....	4
	Sections. Organization Meeting.....	4
	Section 6. Regular Meeting.....	4
	Section 7. Special Meetings.....	4
	Section 8. Waiver of Notice.....	4
	Section 9. Quorum; Vote Required for Action.....	4
	Section 10. Compensation.....	4
	Section 11. Telephone and Similar Meetings.....	4
	Section 12. Executive Session.....	4

Section 13. Action Without a Formal Meeting.....	5
Section 14. Adjournments.....	5
C. Powers and Duties.....	5
Section 15. Powers. 5	
Section 16. Management Agent.....	5
ARTICLE IV OFFICERS.....	5
Section 1. Officers.....	5
Section 2. Election, Term of Office, and Vacancies.....	5
Section 3. Removal.....	6
Section 4. Powers and Duties.....	6
Section 5. Resignation.....	6
ARTICLE V COMMITTEES.....	6
Section 1. General.....	6
Section 2. Term of Appointment.....	6
Section 3. Vacancies.....	6
Section 4. Quorum.....	6
Section 5. Rules.....	6
ARTICLE VI MISCELLANEOUS.....	7
Section 1. Indemnification.....	7
Section 2. Deposits.....	7
Section 3. Conflicts.....	7
Section 4. Books and Records.....	7
Section 5. Notices.....	7
Section 6. Amendment.....	7
Section 7. Tax-Exempt Status.....	7
Section 8. Construction.....	7
Section 9. Headings.....	7

ARTICLE I

NAME AND DEFINITIONS

Section 1. Name. The name of the Association shall be Ashwood Homeowners Association, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. Definitions. The words used in these Bylaws shall have the same meaning as set forth in said Declaration of Covenants, Conditions, and Restrictions for Ashwood recorded in Deed Book 7436, Page 484 et. seq. of the DeKalb County, Georgia records, and all duly recorded amendments thereto, (hereinafter collectively the "Declaration").

ARTICLE H

ASSOCIATION: MEETINGS. OUORUM. VOTING, PROXIES

Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors in DeKaib County, Georgia or as convenient thereto as is possible and practical.

Section 2. Annual Meetings. Annual meetings shall be set by the Board of Directors from time to time at any time, date and place agreed upon by the Board of Directors. If the day for the annual meeting is inadvertently set for a legal holiday, the meeting will be held at the same hour on the first day following such legal holiday (excluding Saturday and Sunday).

Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of the Board of Directors or upon a petition signed by at least twenty percent (20%) of the total votes of the Association. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. Written notice of each annual and special meeting of the Members shall be given by or at the direction of the Secretary or any person or persons authorized to call a meeting by mailing a copy of such notice by United States mail, postage prepaid, 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 the notice. The notice shall state the time, date and place where such meeting is to be held and, in the case of a special meeting, the purpose of the special meeting. Notice shall be given to each Owner at least twenty-one (21) days in advance of any annual or regularly scheduled meeting and at least seven (7) days in advance of any other meeting.

Section 5. Waiver of Notice. Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place

thereof, unless such member specifically objects to holding the meeting or transacting business at the meeting, at the beginning of the meeting. Attendance at a meeting shall also be deemed waiver of the objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. If the new date, time, and place is announced at the original meeting before adjournment, then notice need not be given of the new date, time or place. If a quorum is present, any business which might have been transacted at the meeting originally called may be transacted at the adjourned meeting.

Section 7. Voting. The voting rights of the Members shall be as set forth in the Declaration and Articles of Incorporation, which voting rights are specifically incorporated herein. Unless otherwise required by the Declaration, the affirmative vote of a Majority of the votes cast at a meeting at which a quorum is present shall be the act of the Membership.

Section 8. Proxies. At all meetings of Members, each member may vote in Person or by proxy, as further may be limited by the terms of the Declaration. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. No such proxy shall be revocable except by written notice delivered to the Association by the Owner of the Lot to which it pertains. Any proxy shall be void if it is not dated or if it purports to be revocable without such notice. Each proxy shall automatically cease upon a member's criteria for Membership ceasing to exist or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a member, or of written revocation. No proxy shall be valid after eleven (11) months from the date of its execution.

Section 9. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of more than twenty percent (20%) of the total votes existing in the Association shall constitute a quorum at all meetings of the Association

Section 10. Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat.

Section 11. Record Date. The Association may establish such record dates for Membership as may be authorized by the Georgia Nonprofit Corporation Act or applicable Georgia law.

Section 12. Action by Written Ballot. Any action to be taken at any annual, regular or special meeting of Members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot of any action shall be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting

2

held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirement; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board of Directors. The results of each action by written ballot shall be certified by the Secretary and shall be included in the minutes of meetings of Members filed in the permanent records of the Association.

ARTICLE III

BOARD OF DIRECTORS: NUMBER, POWERS. MEETINGS

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors composed of an uneven number of at least three (3) but not more than nine (9) persons. The exact number of directors shall be established by the then current Board of Directors prior to the call of the meeting at which directors shall be elected. From and after the date of adoption of these Bylaws, the directors shall be elected to serve for a term of three (3) years. There shall be no cumulative voting. The directors shall be Members or spouses of Members; provided, however, that no person and his or her spouse may serve on the Board at the same time. Members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 2. Nominations of Directors. Nominations for election to the Board of Directors shall be made by any Member prior to and at the meeting at which directors shall be elected. A nominating committee may be appointed by the Board of Directors which shall seek out nominations of candidates for election to the Board of Directors.

Section 3. Vacancies. Any vacancy in the Board of Directors arising from the resignation of a director may be filled for the unexpired term by a majority of the remaining directors then in office.

Section 4. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Members of the Board of Directors may be removed, with or without cause, by a majority of the Members authorized to vote for directors and a successor may then and there be elected to fill the vacancy thus created. Any director who becomes more than sixty (60) days delinquent in the payment of any assessment or is in violation of the Declaration, these Bylaws or the Rules and Regulations of the Association for more than sixty (60) days may be

removed by resolution of a majority of the remaining Directors then in office. A Director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

3

B. Meetings.

Section 5. Organization Meeting. The first meeting of the Members of the Board of Directors following each annual meeting of the Membership shall be held within thirty (30) days thereafter at such time and place as shall be fixed by the Board.

Section 6. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of the time and place of each regular meeting shall be given by the secretary either personally or by telephone or by mail not less than seven (7) days no more than thirty (30) days before such regular meeting.

Section 7. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President on his own motion or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of any special meeting shall be given by the secretary personally or by telephone or by mail at least twenty-four (24) hours before such meeting.

Section 8. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice. The waiver of notice need not specify the purpose of the meeting. A Director's attendance at or participation in a meeting waives any required notice to him of the meeting unless the Director at the beginning of the meeting (or promptly upon his arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 9. Quorum: Vote Required for Action. At all meetings of the Board of Directors, the presence of a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, so long as any action taken is approved by at least a majority of all of the Directors.

Section 10. Compensation. No Director shall receive any compensation from the Association for acting as a Director.

Section 11. Telephone and Similar Meetings. Directors may participate in and hold a meeting by means of telephone or similar communication whereby all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute the presence in person at the meeting except where a director participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that a meeting is not lawfully called or convened.

Section 12. Executive Session. The Board may with approval of a majority of a quorum of the Board Members adjourn a meeting and reconvene in executive session to discuss and vote upon

4

personnel matters, litigation in which the Association is or may become involved, and orders of business of a sensitive nature.

Section 13. Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if such action is evidenced by written consents setting forth the action so taken which are signed by all of the Directors; provided that such action is taken in accordance with the Georgia Non-Profit Corporation Code.

Section 14. Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the Directors present, to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

C. Powers and Duties.

Section 15. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the Members.

Section 16. Management Agent. The Board of Directors may employ for the Association a professional management agent or agents, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws.

ARTICLE IV

OFFICERS

Section 1. Officers. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors may elect such other officers including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person. The President, Secretary, Vice President and Treasurer shall be elected from among the Members of the Board of Directors.

Section 2. Election. Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

5

Section 3. Removal. Any officer may be removed from office, with or without cause, by a majority vote of the Board of Directors..

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget, as provided for in the Declaration, and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resianation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of

the 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.

ARTICLE V

COMMITTEES

Section 1. General. Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 2. Term of Appointment. Each member of a committee shall continue to serve until the next annual meeting of the Board of Directors and until his successor is appointed, unless the committee shall be sooner terminated or unless the member shall be removed from such committee or shall resign. Each member of a committee may be removed with or without cause by the Board of Directors at any time.

Section 3. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as the original appointments.

Section 4. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, the presence of a majority of the committee members shall constitute a quorum. The act of a majority of the members of a committee shall be the act of the committee.

Section 5. Rules. Each committee may adopt rules for its own operation so long as such rules are approved by the Board of Directors and are not inconsistent with the Declaration, the Bylaws or the rules adopted by the Board of Directors.

6

ARTICLE VI

MISCELLANEOUS

Section 1. Indemnification. Indemnification of officers, directors, agents, employees and committee Members of the Association shall be as set forth in Declaration.

Section 2. Deposits. All funds of the Association shall be deposited from time to time in bank accounts, money market accounts, or certificates of deposit, as the Board of Directors may select.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Georgia law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 4. Books and Records. The Association shall keep correct and complete books and records of the Association and its accounts and shall keep minutes of all proceedings of the Board of Directors and committees having any authority of the Board of Directors. The books and records of the Association shall be available for inspection by Members in accordance with the Declaration.

Section 5. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class mail, first class postage prepaid, addressed to a Member at his Lot or such other address designated in writing by such Member. Notice to the Association shall be sent to the President of the Association at his address, with a

copy to the managing agent of the Association in the same manner as notice shall be sent to Members.

Section 6. Amendment. These Bylaws may be amended only by the affirmative vote or written consent of a majority of the Members of the Association present or represented by proxy at a meeting of the Members duly called for such purpose.

Section 7. Tax-Exempt Status. The affairs of the Association at all times shall be conducted in such a manner as assure the Associations status as an organization qualified for exemption from taxation pursuant to Section 528 of the Internal Revenue Code remains unaffected.

Section 8. Construction. Whenever the context so requires, the masculine gender shall include the feminine and neuter gender, and singular shall include the plural, and vice versa. If any provision of these Bylaws shall be invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions of these Bylaws.

Section 9. Headings. The Article and Section headings herein contained are for convenience of reference only and shall not be deemed to impart substantive meaning to any provision of these Bylaws.

7

IN WITNESS WHEREOF, the undersigned officers of Ashwood Homeowner Association, Inc. hereby certify that these Bylaws were duly approved by a majority of the Members at a meeting duly called on the _____ day of _____, 1999.

ASSOCIATION:

ASH WOOD HOMEOWNERS
ASSOCIATION, INC.

By: _____
President

Attest: _____
Secretary

Signed, sealed and delivered in
the presence of:

[CORPORATE SEAL]

Witness

Notary Public
My Commission Expires:

8

**THIS DECLARATION OF COVENANTS.
RESTRICTIONS AND EASEMENTS** for ASHWOOD
(‘Declaration’), made this 20th day of October, 1992. by Shawn Development & Investment

Corp. , a Georgia corporation (the 'Company').

WITNESSETH:

WHEREAS, the Company has subdivided and developed and is developing certain real estate known as Ashwood and desires to create on said real estate a residential community; to provide for the maintenance thereof; to ensure the best use and the most appropriate development and improvement of each of the lots which are subjected to this Declaration by Article I hereof; to protect the owners of said lots and properties against improper use thereof as will depreciate the value of any of said lots and properties; to preserve, as far as practical, the natural beauty of said lots and properties; in general, to ensure that improvements on said lots and properties will be of a high quality; and, by establishing and providing for the enforcement of this Declaration, to enhance the value of the investments of purchasers in said lots and properties; and

WHEREAS, to this end, the Company desires to subject the lots described in Article I hereof to the covenants, restrictions, easements, agreements, charges and liens hereinafter set forth, each of which is for the protection and benefit of said lots and properties and for the benefit of all subsequent owners of said lots and properties, and each of which shall inure to the benefit of and run with each of said lots; and

WHEREAS, the Company has caused to be incorporated under the laws of the State of Georgia a nonprofit corporation called Ashwood Homeowners Association, Inc. (hereinafter the "Owners"), which shall have the power and responsibility to maintain all areas and features such as entrance landscaping "landscape areas" (including entrance walls and entrance landscaping, open areas, community fencing (fencing and landscaping designated by the association as fencing and landscaping for the benefit of the community as a whole), and retention facilities as defined on the final recorded subdivision plat, which features are intended as a benefit to the community as a whole. As a beneficiary of this Declaration and as agent of the owners of lots in Ashwood (hereinafter referred to singularly as "Owner" and collectively as "Owners", as further defined in paragraph (a) of Article IV, Section 1 below), shall have the power and responsibility to administer and enforce the provisions of this Declaration and to collect and disburse the assessments and charges hereinafter created, and shall have the other powers and responsibilities set forth in the Association's Articles of Incorporation and Bylaws as amended from time to time;

NOW, THEREFORE, the Company hereby declares that all of the property described in ~~Exhibit "A"~~ and any additional property which is hereafter subjected to this Declaration by Supplemental Declaration (as defined herein) and the lots described in Article I hereof are hereby subjected to this Declaration and shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Declaration and to the covenants, conditions, restrictions, easements, agreements, charges and liens (sometimes referred to as the "covenants, restrictions and easements") hereinafter set forth. Every grantee of any interest in any lot made subject to this Declaration, by acceptance of a deed or other conveyance of such interest, whether or not it shall be so expressed in any such deed or other conveyance, whether or not such deed or other conveyance shall be signed by such person and whether or not such person shall otherwise consent in writing, shall take subject to this Declaration and to all the terms and conditions hereof and shall be deemed to have assented to all of said terms and conditions.

ARTICLE I

PROPERTY HEREBY SUBJECTED TO THIS DECLARATION

The lots which are, by the recording of this Declaration, subjected to the covenants,

restrictions and easements hereafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Declaration, are all those certain lots shown on that certain plat of subdivision recorded in Plat Book 95, Page 1, DEKALB County, Georgia Records and incorporated and made a part hereof by this reference. Said plat is hereinafter referred to as the "Plat", said lots as shown on the Plat and as defined in Article VII, Section 8, paragraph (b) hereof are hereinafter referred to singularly as the "Lot" and collectively as the "Lots", and the Lots together with all of the other real property shown on the Plat are hereinafter referred to as the "Property".

ARTICLE II

HOMEOWNERS ASSOCIATION

Section 1. Name of Homeowners Association. The name of the homeowners association shall be Ashwood Homeowners Association, Inc.

Section 2. Membership of Association. The Association shall have two (2) classes of voting membership which shall be known as Class A and Class B:

(a) With the exception of the Company, every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who is a record owner of a fee interest in any lot which is a part of the property subject to the Declaration, or which otherwise becomes subject, by the terms of this Declaration as amended, to assessment by the Association, shall be a Class A member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of a debt or obligation shall not be a Class A member solely on account of such interest. Each Class A member shall be entitled to one (1) vote for each lot in which such member holds the interest required for Class A membership.

(b) The Class B member shall be the Company or its nominee or nominees, and shall include every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who shall obtain any Class B membership by assignment from the Company which specifically assigns the rights of Class B membership. The Class B member or members shall have one (1) Class B membership for each Lot in which such member holds the interest otherwise required for Class A membership. Each Class B member shall be entitled to four (4) votes for each Class B membership which it holds. Each Class B membership shall lapse and become a nullity on the first to happen of the following events:

(i) Thirty (30) days following the date on which the total authorized issued and outstanding Class A memberships equal the total authorized issued and outstanding Class B memberships multiplied by four (4); or

(ii) On December 31, 1999; or

(iii) Upon the surrender of said class B memberships by the then holder thereof for cancellation on the books of the Association. Upon lapse or surrender of any of the Class B Memberships as provided for in this paragraph, the Company or its successor in interest shall thereafter remain a Class A member of the Association as to each and every Lot in which the Company then holds the interest otherwise required for such Class A membership. The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this paragraph.

Both Class A and Class B members and hereinafter referred to singularly as 'Member' and collectively as 'Members'.

(c) Duties of Association.

(i) The Association shall have the power and responsibility to maintain those portions of which are so designated herein and, as a beneficiary of the Declaration and as agent of the Owners, the Association shall have the power and responsibility, together with the Owners, to administer and enforce the provisions of this Declaration and to collect and disburse the assessments and charges hereinafter authorized. The association shall have the other powers and responsibilities which shall be set forth in the Association's Articles of Incorporation and Bylaws as amended from time to time.

ARTICLE III

EASEMENTS

Section 1. Retention Area and Landscaped Frontage.

(a) Subject to the provisions of these covenants, restrictions and easements, the rules and regulations of the Association, and any fees or charges established by the Association, the Association itself, every Member and every tenant and quest of each such Member shall have an easement over lot areas designated on the Plat "The Landscape Areas"), and such easement shall be appurtenant to and shall pass with the title of every Lot subject to this Declaration and shall not be subordinated to the lien of any mortgage or Deed to Secure Debt encumbering any portion of the Property.

The rights and easement of use and enjoyment in and through the "Landscape Areas" created hereby shall be limited to the right of the Association to maintain the Landscape Areas in a functional and sightly manner, which right shall include the right of the Association to ingress and egress over lots where "Landscape Areas" are located as necessary to enforce such right.

Section 2. Maintenance.

~~(a) The Association is hereby granted a perpetual easement, as a beneficiary of this Declaration, as agent of the Owners and all of the Property within Ashwood and pursuant to its power and responsibility, subject to the terms and conditions of this Declaration, to maintain the "landscape areas along the frontage of Katie Kerr Road" on the Lots within Ashwood (where the landscaping has been established for the benefit of the community as a whole) over, through and across each Lot; the easement refers to the area between the wall and the right-of-way of Katie Kerr Road, and the title of each Lot shall pass subject to the easement granted in this Section 2 and such easement shall not be subordinated to the lien of any mortgage or deed to secure debt encumbering any portion of any Lot or the Property.~~

~~Section 3. Limit of Association's Liability. In consideration of the Association's undertaking to maintain the Retention Areas, community fencing, and landscape areas and to maintain and improve, each Owner agrees that the Association, its officers, directors, agents and employees shall not be liable for any act or omission during the performance of such maintenance or improvement services unless gross negligence or an intentional act or failure to act is the proximate cause of such liability.~~

ARTICLE IV

ASSESSMENTS

Section 1. Creation of Permanent Charge and Lien of Assessments: Personal Obligation of Owners; Remedies of Association,

(a) "Owner", within the meaning of this Section, shall mean the holder of any estate entitling such holder to membership in the Association.

(b) Each of the Lots described in Article I hereof is hereby made subject to a lien and permanent charge in favor of the Association for monthly assessments or charges, and special assessments or charges, and each Lot hereafter made subject to this Declaration shall automatically be subjected to said lien and permanent charge at the time such Lot is made subject to this Declaration. Such monthly and special assessments shall be fixed, established and collected as hereinafter provided. Any and all of said assessments and charges, together with interest thereon, if any, as hereinafter provided, shall constitute a permanent charge upon and a continuing lien on the Lot to which such assessments relate, and such permanent charge and lien shall bind such Lot and the successors in interest in such Lot while such successor holds an interest therein.

(c) Each Owner of any Lot which is or shall become subject to this Declaration, by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in such document, whether or not such document shall be signed by such Owner and whether or not such Owner shall otherwise consent in writing, shall be deemed to covenant, promise and agree to pay to the Association monthly assessments or charges and special assessments or charges, such monthly and special assessments to be fixed, established and collected from time to time as hereinafter provided; and any person or persons who was or were the Owner or Owners of any Lot or Lots subject to assessment by the Association at a time when any assessment came due with respect to such Lots shall be personally obligated to pay such assessment, together with interest thereon, if any.

(d) The permanent charge, the lien and the personal obligation hereby created may be enforced by the Association in any appropriate proceeding in law or in equity.

Section 2. Monthly Assessments. Beginning on the first day of the following month after closing, and for every month thereafter, unless changed as provided in Section 3 of this Article, the monthly assessment shall be initially thirteen (\$13.00) Dollars, subject to future adjustment as determined by the Association, for each Lot which has been purchased from the Company, each such Lot being hereby made subject to assessment by the Association. Each Owner shall also pay an initial assessment of \$100.00 to the Association fund at the closing on his or her lot. The monthly assessment shall be collected annually or as 51% of the majority so elects.

Section 3. Changes in Assessments. The amount of the monthly assessment fixed by Section 2 hereof may be changed by the assent of 66.7% of the votes of the members eligible to vote on such proposed change who are voting in person or by proxy at a meeting duly called for this purpose.

Section 4. Special Assessments. In addition to the monthly assessment authorized by Section 2 of this Article, the Association may levy in any assessment month a special assessment, provided that any such special assessment shall have the assent of all of the votes of the Members who are eligible to vote on such proposed assessment who are voting in person or by proxy at a meeting duly called for this purpose.

~~Section 5. Purpose of Assessments. The monthly and special assessments levied by the Association may be spent or used in furtherance of any corporate purpose including the maintenance and repair of the Retention Area and Landscape Areas, on Lots.~~

~~Section 6. Date of Commencement of Assessments: Due Dates. The monthly assessments provided for in this Article IV shall commence as to each Lot on the first day of the month following the month in which the permanent loan is placed on the house and continue for each month thereafter. Any assessment not paid within ten (10) days shall become delinquent and shall bear interest at the rate of one and one-half (1.5%) percent per month. The due date of any special assessment shall be fixed in the resolution authorizing such assessment.~~

~~The Association shall, within seven (7) days after written request therefor, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. A reasonable charge, as determined by the Association's Board of Directors, may be made for the issuance of such certificates. Such certificate shall be conclusive evidence, against all but the Owner, of payment of any assessment therein stated to have been paid.~~

~~Section 7. Subordination of the Charge and Lien to Mortgages.~~

~~(a) The lien and permanent charge of all assessments authorized herein (including initial, monthly and special) with respect to any Lot is hereby made subordinate to the lien of any first priority mortgage placed on such Lot and to the lien of any mortgage recorded prior to the recording of this Declaration.~~

~~(b) Such subordination is merely a subordination and shall not relieve the Owner of the mortgaged property of his personal obligation to pay all assessments coming due at a time when he or she is the Owner of such property.~~

~~(c) "Mortgage" and "mortgages", as used in this Section, shall include deeds to secure debt. "Lien", as used in this Section, shall include, where the context requires, the security title of any holder of a deed to secure debt. "Mortgagee" and "mortgagees" shall include any holder or holders of a deed or deeds to secure debt.~~

ARTICLE V

PROTECTIVE COVENANTS

Section 1. Land Use and Building Type. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than a single family dwelling and garage.

Section 2. Architectural Control.

~~(a) No fence or wall shall be erected, placed or altered on any lot nearer to any street than the front of structure unless similarly approved. Any yard fencing shall be submitted to the Owners for approval before installation. No type of chain link fence will be allowed. No clothesline will be allowed in any yard.~~

~~(b) No window air conditioning units will be permissible without the prior approval of all members of the architectural Control committee.~~

~~(c) Any changes in the front exterior elevation, which includes the enclosure of any garage or patio for living space, must be approved by 51% of the members of the architectural control committee.~~

~~(e) Mobile homes, campers, and/or commercial vehicles may not be parked permanently (longer than a 48-hour period) and are subject to the approval by 51% of the members of the architectural control committee.~~

(f) All Architectural Control Committee approvals shall be as provided in Article VI, Section 1, paragraph (b) below.

Section 3. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance in the neighborhood.

~~Section 4. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out building shall be used on any Lot for more than a 24-hour period and under no circumstances for a residence either temporarily or permanently.~~

Section 5. Signs. No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

Section 6. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other common household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose. A maximum of four (4) pets per household.

Section 7. Sewage Disposal. No Individual sewage disposal system shall be permitted on any Lot.

Section 8. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner Lot.

~~Section 9. Antennas. No dish or dish-type radio and television antennas and no radio or television antenna towers shall be installed that exceed eight (8') feet in height nor is any closer than 20 feet from an exterior boundary. Said antennas must be landscaped so as to not be readily visible to its neighbors.~~

Section 10. Playground Equipment. All playground equipment should be placed in the rear of the property.

~~Section 11. Swimming Pools. Above-ground swimming pools will not be permitted. No pool can be situated closer than 20 feet from an exterior boundary unless the location of which is approved by the consent of 51% of the lot owning members of the Architectural Control Committee.~~

Section 12. Use of Concrete Blocks, etc. Whenever buildings erected on any Lot or parcel are constructed in whole or in part of concrete blocks, cinder blocks or other fabricated masonry block units, such blocks shall be veneered with brick, natural stone, or other material

approved by the Architectural Control Committee, over the entire surface exposed above finish grade.

Section 13. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be kept in sanitary containers and shall be removed on a regular but not less than weekly basis. Garbage and trash containers shall be located abutting the rear or sides of houses, screened from view and kept in a clean, sanitary condition.

Section 14. Building Location. No buildings shall be located nearer to a street or side line than indicated by the building line restriction shown on the Plat or as approved by Dekalb County. For the purposes of this Article V, eaves, steps, portes cocheres (attached carports) and open porches not covered by roof structures shall not be considered as a part of a building; provided however, that this shall not be construed to permit any portion of the building or construction on any Lot to encroach upon another Lot or upon the easements reserved in Article III hereof.

Section 15. Dwelling Size. One-story dwelling buildings erected on any Lot shall have not less than 1,200 square feet or heated floor space each. Multi-level buildings such as two stories, split-levels and tri-levels shall have not less than 1,200 square feet of heated floor space. The foregoing minimum space requirements, within the sole discretion of 51% of the members of the Architectural Control Committee, can be waived in writing but not below 1,200 square feet. These minimum floor space requirements shall be exclusive of any space in garages, porches, and finished basements, whether heated or not.

Section 16. Garages and Carports. All garages shall be enclosed with doors. Open carports are not permitted on any Lot.

~~Section 17. Vehicles. All trailers or recreational vehicles, trucks other than small vans and boats or boat trailers shall be parked so as to be out of view from the public road right of way. No disabled, wrecked, or otherwise unusable truck, automobile, motorcycle or similar equipment may be brought onto any Lot for the purpose of dismantling same or for any purpose other than the complete restoration of a personal vehicle. Any such restoration or repairs must be performed in an inconspicuous manner. Adequate off-street parking shall be provided by each Owner for the parking of automobiles owned by such Owner, and Owners shall not park their vehicles on adjacent roads and streets as a matter of course.~~

Section 18. Mail Boxes. Mail boxes of a type consistent with the character of the neighborhood or designated by the Company shall be selected and placed by the builders for the benefit of each lot and shall be maintained by the Owners to compliment the residences and the neighborhood.

Section 19 Zoning. Zoning regulations applicable to the Property subject to this Declaration shall be observed. In the event of any conflict between any provision of such zoning restrictions and the restrictions of this Declaration, the more restrictive provisions shall apply.

~~Section 20. Fences. No fences shall exceed 6 foot in height. All fences may be constructed of natural wood, such as cedar. There shall not be any chain link fences unless its constructed on the exterior rear boundary unless it is black or green in color. Split rail fences with a dark coated mesh backing is also permitted.~~

ARTICLE VI

ADMINISTRATION

Section 1. Architectural Control Committee.

~~(a) Membership. There shall be an Architectural Control Committee shall be composed of SAM L. LEVETO until such time as all Lots in Ashwood have been sold by the builder to new homeowners. In the event of death or resignation of either initial member of the Architectural Control Committee, the remaining member shall have full authority to designate a successor. After the Company has sold all Lots in Ashwood, the owners of each lot (one vote per lot) shall become members of the Association and make all decisions concerning the governing of the association under the power granted to them under these covenants.~~

~~(b) Procedure. The Architectural Control Committee's approval or disapproval as required in this Declaration shall be in writing. In the event the Architectural Control Committee fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.~~

~~(c) Construction Commencement. Completion. Any purchaser of a Lot must commence construction on the home on said Lot within one year following the date of closing. Construction shall be deemed to have begun when the Lot has been fully cleared and graded in preparation for construction and a building permit obtained. In addition to the commencement of construction within six (6) months following the date of closing, any Owner having a home built on his or her Lot shall ensure that construction is completed within twelve (12) months following the date of closing. Construction shall be deemed to be completed as of the date of the issuance of a certificate of occupancy for the residence under construction.~~

~~(d) All homes shall be owner occupied unless a tenant shall be approved as provided in subparagraph ii of paragraph o of Article II, Section 2 above.~~

~~Section 2. Association. The administration of those acts required of the Association by this Declaration shall be the responsibility of the Association. Such administration shall be governed by this Declaration and by the Association's Articles of Incorporation and Bylaws, as amended from time to time. The powers and duties of the Association shall be those set forth in said documents, together with those reasonably implied as necessary to effect its purposes, and shall be exercised in the manner provided therein.~~

ARTICLE VII

~~Section 1. Duration. The protective covenants set forth in Article V and the administration procedures set forth in Article VI, Section 1 (all of which are hereinafter referred to as the "Protective Covenants and the Section 1 Procedures") of this Declaration shall run with and bind the Property, shall be and remain in effect, and shall inure to the benefit of and be enforceable by the Company, the Association or the owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded.~~

~~The Protective Covenants and Section 1 Procedures shall be automatically renewed and extended beyond mid 20-year term for successive periods of ten (10) years each unless, at the end of the initial twenty (20) years or at any time thereafter, two thirds (2/3) of the Members shall execute an agreement terminating some or all of the provisions of the Protective Covenants and Section 1 Procedures contained in this Declaration and shall then record said termination agreement in the Office of the Clerk of the superior court of the county in which the Property or any portion thereof lies; provided, however, that each such~~

~~termination agreement shall specify which such provisions of the Protective Covenants and Section 1 Procedures are so terminated. Every purchaser or grantee of any interest in any property now or hereafter subject to this Declaration, by acceptance of a deed or other conveyance thereof, thereby agrees that the provisions of the Protective Covenants and Section 1 Procedures of this Declaration may be extended as provided above.~~

Section 2. Notices. Any notice required to be sent to any Member pursuant to any provision of this Declaration shall be served by depositing such notice in the mails, post-paid, regular mail, addressed to the Member for whom it is intended at his or her last known place of residence, or to such other address as may be furnished to the secretary of the Association, and such service shall be deemed sufficient. The date of service shall be the date of mailing.

~~Section 3. Enforcement. Enforcement of the covenants, restrictions and easements contained herein and of any other provision hereof shall be by any appropriate proceeding at law or in equity against any person or persons violating or attempting to violate any of said covenants, restrictions and easements or other provision, either to restrain violation, to enforce personal liability or to recover damages, or by any appropriate proceeding at law or in equity against the land to enforce any lien or charge arising by virtue thereof. The failure of the Company, the Association or any Member to enforce any of said covenants, restrictions and easements or other provision shall in no event be deemed a waiver of the right to do so thereafter.~~

Section 4. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such a manner as to be effective and valid, but if any provision of this Declaration or the application thereof to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

~~Section 5. No Liability. The Company has used its best efforts and acted with due diligence in connection with the preparation and recording of this Declaration to ensure that the Association and each Owner has the right and power to enforce the terms and provisions hereof against every Owner. In the event this Declaration is unenforceable by the Association or an Owner or any other person for any reason whatsoever, the Company and its agents shall have no liability of any kind as a result of such enforceability, and each Owner, by acceptance of a deed conveying a Lot, acknowledges and agrees that the Company and its agents shall have no such liability.~~

Section 6. Captions. The captions of each Section hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular sections to which they refer.

Section 7. Gender. The masculine gender shall be construed to include a female or a corporation where the context so requires.

Section 8. Definitions. Unless the context otherwise requires, whenever used in this Declaration:

(a) ~~“Person” shall include a corporation or other legal entity.~~

(b) ~~“Lot” shall mean any plat of land shown as a numbered parcel on the Plat or on any plat of survey hereafter recorded if such numbered parcel becomes subject to this Declaration and the jurisdiction of the Association.~~

~~———(c) “Owner” shall mean the Company or an individual lot owner. The Company~~

~~shall have total control over the use of each lot where a permanent loan has not been closed by an individual lot owner. "Owner" shall be the owner of one lot where the permanent loan has been closed. Each owner shall have one vote.~~

IN WITNESS WHEREOF, the Company has caused this Declaration to be executed by its duly authorized officer and its corporate seal to be hereunto affixed, the day and year first above written.

Shaw Development & Investment Corp.

Sam L. Levato
Its President, Declarant
(CORPORATE SEAL)

Signed, sealed and delivered
In the presence of:

Unofficial Witness

Notary Public

CROSS-REFERENCE:

Declaration of Covenants,
Restrictions and
Easements for Ashwood
Deed Book 7436, Page 484,
DeKalb County, Georgia
Records

FIRST AMENDMENT
TO
DECLARATION OF COVENANTS,
RESTRICTIONS AND EASEMENTS FOR
ASHWOOD

THIS FIRST AMENDMENT, to Declaration of Covenants, Restrictions and Easements for Ashwood, made this 7th day of December, 1992, by Shawn Development & Investment Corp., a Georgia Corporation, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of certain real property located in DeKalb County, Georgia, which property is more particularly

described in Plat Book 95, Page 1, DeKalb County Records and made a part hereof; and

WHEREAS, the Declarant filed to the Declaration of Covenants, Restrictions and Easements for Ashwood (hereinafter referred to as the "Declaration"); said Declaration being dated October 21, 1992, and being recorded on October 21, 1992 in Deed Book 7436, Page 490, Dekalb County Georgia Deed Records;

NOW, THEREFORE, for and in consideration of the above premises and for other good and valuable consideration, it is hereby agreed that the Declaration of Covenants, Restrictions and Easements for Ashwood is hereby amended as follows:

ARTICLE VIII

Amendments

~~Section 1. Generally. This Declaration, and the terms, provisions and restrictions thereof, may be amended only in accordance with the terms and provisions of the Article X.~~

~~Section 2. Expansion Amendments. As more specifically provided in Article III and Article V hereof, the Declarant has the right to amend this Declaration at any time, and from time to time, within the time period specified herein.~~

~~Section 3. Amendments by the Declarant. So long as the same shall not (a) adversely affect the title to any Owner's Lot; (b) materially alter or change any owner's right to the use and enjoyment of his Townhome; or (c) otherwise make any material change in this Declaration, each Lot Owner agrees that, if requested to do so by Declarant, such Lot Owner will consent to the amendment of this Declaration (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation or judicial determination which shall be in conflict therewith; (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration; or (iv) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration.~~

~~Section 4. Amendment by Lot Owners. Further, this Declaration may also be amended at any time and from time to time by the assent of Lot Owners having at least two-thirds (2/3rds) of the vote in the Association inclusive of any vote appertaining to any Lot or Lots then owned by Declarant. Amendments to this Declaration may be proposed by the Declarant, the Board of Directors of the Association, or by petition signed by Lot Owners having at least thirty (30%) percent of the total votes of the Association. Agreement of the required majority of Lot Owners to any amendment of this Declaration shall be evidenced by their execution of the amendment. Any such amendment of this Declaration shall become effective only when recorded, or at such later date as may be specified in the amendment itself.~~

~~Section 5. Consent of Mortgagees. No amendment to this Declaration shall alter, modify, change or rescind any right, title, interest or privilege herein granted or afforded to the holder of any mortgage affecting any of the Lots, unless such holder shall consent thereto in writing. The written consent of any mortgagee required with respect to such amendment shall also be recorded with such amendment.~~

~~Section 6. Effective Date. The effective date of any amendment shall be the date of recording the amendment in the office of Superior Court of Gwinnett County, Georgia, or on such later date as may be specified therein.~~

Signed, Sealed and
Delivered in the
Presence of

Shawn Development
Investment Corp.

Notary Public

Its: President

CROSS-REFERENCE:

Declaration of Covenants,
Restrictions and
Easements for Ashwood
Deed Book 7436, Page 484,
DeKalb County, Georgia
Records

SECOND AMENDMENT
TO
DECLARATION OF COVENANTS,
RESTRICTIONS AND EASEMENTS FOR
ASHWOOD

THIS SECOND AMENDMENT, to Declaration of Covenants, Restrictions and Easements for Ashwood, made this 15th day of December, 1993, by Shawn Development & Investment Corp., a Georgia Corporation, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of certain real property located in DeKalb County, Georgia, which property is more particularly described in Plat Book 95, Page 1, DeKalb County Records and made a part hereof; and

WHEREAS, the Declarant filed to the Declaration of Covenants, Restrictions and Easements for Ashwood (hereinafter referred to as the "Declaration"); said Declaration being dated October 21, 1992, and being recorded on October 21, 1992 in Deed

WHEREAS, the Declarant has more than two thirds (2/3) of the ownership of the voting rights as of this date. The Declarant is amending the covenant as below.

NOW, THEREFORE, for and in consideration of the above premises and for other good and valuable consideration, it is hereby agreed that the Declaration of Covenants, Restrictions and Easements for Ashwood is hereby amended as follows:

ARTICLE VIII

Amendments

~~Section 20. Fences. No fences shall exceed 6 foot in height. All fences may be constructed of natural wood, such as cedar. Split rail fences with a dark coated mesh backing is also permitted. There shall not be any chain link fences unless it in constructed on the exterior boundary line. The developer/declarant is excepted from this covenant and may use whatever fencing material it feel necessary for the completion of the development of the community including but not limited to chain link fencing.~~

Signed, Sealed and
Delivered in the
presence of:

Shawn Development
Investment Corp.
(Declarant)

Notary Public

Its: President

CROSS REFERENCE:
Declaration of Covenants,
Restrictions and
Easements for Ashwood
Deed Book 7436, Page 484,
DeKalb County, Georgia

THIRD AMENDMENT TO
DECLARATION OF COVENANTS,
RESTRICTIONS AND EASEMENTS FOR
ASHWOOD

THIS THIRD AMENDMENT to the Declaration of Covenants, Restrictions and Easements for Ashwood, made this 15th day of September, 1994, by the Ashwood Homeowners Association ("the Association");

WHEREAS, the individual members of the Association are owners of lots located in the Ashwood subdivision located in DeKalb County, Georgia, which property is more particularly described in Plat Book 95, Page 1, DeKalb County Records, which is incorporated herein;

WHEREAS, the developer of Ashwood, Shawn Development & Investment Corp., a Georgia corporation, filed the Declaration of Covenants, Restrictions and Easements for Ashwood ("the Declaration"), dated and recorded on October 21, 1992, in Deed Book 7436, Page 490, DeKalb County, Georgia, Deed Records;

WHEREAS, at the regular meeting of the Association held on August 27, 1994, the following amendments were approved by the Association by an affirmative vote representing greater than two-thirds of the Lots in Ashwood, pursuant to Section 4 of the First Amendment to the Declaration;

NOW THEREFORE, for good and valuable consideration, it is hereby agreed that the Declaration is amended as follows:

AMENDMENTS TO ARTICLE V OF DECLARATION

Section 2 -- Architectural Control:

(a) No fence or wall shall be erected, placed or altered on any lot nearer to any street than the point on the front facade of the structure that is furthest from the street. No type of chain link fencing will be allowed except in accordance with Section 20. No clothesline will be allowed in any yard.

...

(c) Any changes to the front or side exterior elevation of any structure, including but not limited to permanent changes in color or appearance or the enclosure of any garage or patio for living space, must be approved by all members of the Architectural Control Committee.

(e) {DELETED}

Section 4 — Accessory Structures: No accessory structure, including but not limited any trailer, shack, shed, detached garage, barn or other out building, shall be used on any Lot.

Section 11 -- Swimming Pools: Above ground pools shall not be permitted on any Lot. No pool may be situated any closer than twenty (20) feet from the subdivision's exterior boundary line without the approval of all members of the Architectural Control Committee.

Section 17 — Vehicles: Mobile homes, campers or commercial vehicles may not be parked permanently (longer than a 48 hour period) on or adjacent to any Lot. No disabled, wrecked, or otherwise unusable truck, automobile,

motorcycle or similar equipment may be brought onto any Lot for the purpose of dismantling same or for any purpose other than the complete restoration of a personal vehicle. Any such restoration or repairs must be performed in an inconspicuous manner. Adequate off-street parking shall be provided by each Owner for the parking of automobiles owned by such Owner, and Owners shall not park their vehicles on adjacent roads and streets as a matter of course.

Section 20 -- Fences: No fence shall be constructed or erected that exceeds six (6) feet in height. No fence existing on the date of these Amendments shall be replaced by a fence that exceeds the height of the existing fence. All fences must be constructed of natural wood, such as cedar. Split rail fences with dark coated mesh backings shall be permitted. There shall be no chain link fence on any Lot, unless it is dark green or black in color and constructed on the subdivision's exterior boundary line.

Section 21 — Appeals: Any Owner dissatisfied with a decision rendered by the Architectural Control Committee ("the Committee") may appeal that decision by submitting to any member of the Committee a written Notice of Appeal, within ten (10) calendar days after the date of the Committee's decision. The Notice shall fully state the basis for the Owner's dissatisfaction with the Committee's decision and the reasons supporting a reversal of the decision. The Owner's appeal will be considered at the next regularly scheduled meeting of the Association. The decision of the Committee that is the subject of the appeal shall be reversed upon the affirmative vote of at least two-thirds of the Lots in Ashwood. The vote of the Association shall be the final determination of the appeal.

ASHWOOD HOMEOWNERS ASSOCIATION

By: _____

Charles L. Norton, Jr.,
President

Signed, Sealed and
delivered in the presence of:

RETURN RECORDED INSTRUMENT TO:
Steven M. Winter, Esq.
WEINSTOCK & SCAVO, P.C.
3405 Piedmont Road, NE
Suite 300
Atlanta, Georgia 30305
Reference: Deed Book 7436

Cross

Page

484

STATE OF GEORGIA

FOURTH AMENDMENT TO DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR ASHWOOD

This Fourth Amendment to the Amended and Restated Declaration of Covenants, Restrictions and Easements for Ashwood Homeowners Association, Inc. (the "Amendment") is made on this 25th day of March 2000 by Ashwood Homeowners Association (hereinafter, "the Association").

WITNESSETH:

WHEREAS, the developer of Ashwood, Shawn Development & Investment Corp., a Georgia Corporation filed the Declaration of Covenants, Restrictions and Easements on October 1, 1992 at Deed Book 7436, Page 490, Dekalb County, Georgia records (hereinafter, together with all recorded amendments thereto, collectively the "Declaration");

WHEREAS, the individual members of the Association are owners of the lots located in the Ashwood subdivision located in Dekalb County, Georgia, which property is more particularly described in Plat Book 95, Page 1, Dekalb County, Georgia Deed Records;

WHEREAS, at the regular meeting of the Association held on the 25th day of March, 2000, the following amendments were approved by the Association by an affirmative vote representing greater than two-thirds of the lots in Ashwood, pursuant to Section 4 of the First Amendment to the Declaration;

NOW, THEREFORE, for good and valuable consideration, it is hereby agreed that the Declaration is amended as follows:

1. Article III of the Declaration is hereby amended by deleting Section 2 in its entirety and substituting the following in its place:

"Section 2. Maintenance, Repair and Replace. The Association is hereby granted a perpetual easement, as a beneficiary of this Declaration, as agent of the Owners and all of the Property within Ashwood and pursuant to its power and responsibility, subject to the terms and conditions of this Declaration, to maintain, repair and replace the "Landscape Areas and Improvements located thereon along the frontage of Katie Kerr Road" on the Lots within Ashwood (where the landscaping has been established for the benefit of the community as a whole) over, through and across each Lot; this easement refers to the area between the wall and the right-of-way of Katie Kerr Road, and the title of each Lot shall pass subject to the easement granted in this Section 2 and such easement shall not be subordinated to the lien of any mortgage or deed to secure debt encumbering any portion of any Lot or the Property." As used herein, Landscape Area shall mean and refer to the landscape areas along the frontage of Katie Kerr Road on Lots within Ashwood."

2. Article III of the Declaration is hereby amended by adding the words "repair" and "replace" to Section 3, which shall read as follows:

“Section 3. Limit of Association’s Liability. In consideration of the Association’s undertaking to maintain, repair and replace the Retention Areas, community fencing, and landscape areas and to maintain, repair, replace and Improve, each Owner agrees that the Association, its officers, directors agents and employees shall not be liable for any act or omission during the performance of such maintenance, repair, replacement or improvement services unless gross negligence or an intentional act or failure is the proximate cause of such liability.”

3. The Declaration is hereby amended by deleting Article IV in its entirety, and substituting the following in its place:

“ARTICLE IV
Assessments

Section 1. Creation of Lien for Personal Obligations of Assessment. Each Owner of a Lot, by acceptance of a deed therefore, whether it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments which may or shall be levied by the Association; (2) special assessments, such assessments to be established and collected as hereinafter provided; and (3) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration. The annual, special and specific assessments, together with interest thereon and costs of collection thereof, as hereinafter provided, including reasonable attorneys’ fees, shall be a charge and a continuing lien upon the Lot against which each such assessment is made. The recording of this Amendment shall constitute record notice of existence of the lien, and no further recordation of any claim of lien for assessments shall be required. Each Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Lot, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of the conveyance without prejudice to the grantee’s right to recover from the grantor the amounts paid by the grantee; provided, however, that if the grantor or grantee shall request a statement from the Association as provided in Section 9 of Article IX hereof such grantee and his or her successors, successors-in-title, and assigns shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid assessments against such grantor in excess of any amount set forth in the statement.

In the event that the holder of a first priority mortgage or second purchase money mortgage of record, provided that neither the grantee or any successor grantee on the secondary purchase money mortgage is the seller of the Lot, or any other person acquires title to any Lot as a result of foreclosure of any such mortgage, such holder or other person and his or her successors, successors-in-title, and assigns shall not be liable for nor shall the Lot be subject to any lien for assessments under the Georgia Property Owners Association Act or under the Declaration, on account of any period prior to the acquisition of title; provided, however, that the unpaid share of the assessment or assessments shall be deemed to be a common expense collectable from all of the Lots and the Owners thereof, including such holder or other person and his or her successors, successors-in-title, and assigns. A foreclosure shall not relieve the mortgagee in possession or the purchaser at any foreclosure sale from any liability from any assessments becoming due after such foreclosure.

No Owner may waive or otherwise exempt himself or itself from liability for the assessments provided herein, including, but not limited to, non-use of the Common Areas or abandonment of a Lot. No diminution or abatement of any assessment or setoff shall be claimed or allowed by reason of any failure of the Association or the Board to take some action or perform some function required to be taken or performed by the Association or the Board hereunder, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance or with any order or directive of any governmental authority, it being acknowledged that the obligation to pay assessments is a separate and independent covenant on the part of each Owner.

Section 2. Computation of Annual General Assessment. It shall be the duty of the Board to prepare a budget covering the estimated cost of operating the Association during the coming year. The budget may include a capital reserve contribution in accordance with a capital budget that may be separately

prepared by the Board. The Board shall cause a copy of the budget and the general assessment to be levied therefrom and the due date of the annual assessment to be mailed to each Member at least thirty (30) days prior to the date on which the budget will become effective. The budget and general assessment established therefrom shall be and become effective if approved by Members representing at least a Majority of the total Association vote. Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason to so determine the budget for the succeeding year, then and until such time as a budget shall have been determined, the budget and assessments in effect for the current year shall continue for the succeeding year.

Section 3. Special Assessment. In addition to other assessments authorized herein, the Association may in its discretion levy special assessments in any year for the purpose of paying the costs of unexpected maintenance, repairs or replacement of the Common Area or the cost of other unanticipated expenses, needs or obligations of the Association incurred or projected to be incurred in the performance of its obligations in this Declaration; provided that any such assessment shall have the approval of at a majority of the Members who are eligible to vote on such proposed assessment who are voting in person or by proxy at a meeting duly called for this purpose.

Section 4. Date of Commencement of Assessments; Due Dates. The annual assessments provided for in this Article IV shall commence as to each Lot on the date of the recording of this proposed Amendment of the Declaration and continue for each year thereafter. Any assessment not paid within ten (10) days shall become delinquent and shall bear interest at the rate of one and one-half (1 ½ %) percent per month. The due date of any special assessment shall be fixed in the resolution authorizing such assessment.

The Association shall, within seven (7) days after written request therefor, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment had been paid. A reasonable charge, as determined by the Association's Board of Directors, may be made for the issuance of such certificates. Such certificates shall be conclusive evidence, against all by the Owner, of payment of any assessment therein stated to have been paid.

Section 5. Purpose of Assessment. The annual and special assessments levied by the Association may be spent or use in furtherance of any corporate purpose including the maintenance and repair of the Retention Area and the Landscape Area.

Section 6. Specific Assessment. The Board shall have the power to specifically assess pursuant to this Section, as it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future. The Board may specifically assess Lots for the following Association expenses, except for expenses incurred for the maintenance and repair of items which are the maintenance responsibility of the Association as provided herein,:

(a) any Common Expense benefiting less than all of the Lots shall be specifically assessed equitably among the Lots so benefited, as determined by the Board of Directors;

(b) any Common Expenses occasioned by the conduct of less than all of the Owners or their family, guests, tenants, licensees, or invitees shall be specially assessed against the Owner of such Lots whose conduct, or the conduct of such Owners' family, guests, tenants, licensees, or invitees, occasioned any such Common Expenses; or

(c) any Common Expenses significantly disproportionately benefiting all of the Lots shall be assessed equitably among all of the Lots in the Community as determined by the Board of Directors.

(d) other than for limited Common Properties which may be expressly designated as such in this Declaration and assigned to fewer than all Lots, nothing contained in subparagraphs (a) or (c) above, shall permit the Association to specifically or disproportionately allocate common expenses for period maintenance, repair and replacement of any portion of the Common Properties or Lots which the Association has the obligation to maintain, repair or replace.

A specific assessment assessed hereunder shall be and become a lien against such Lot(s) and the

personal obligation of the Owner(s) thereof. A specific assessment may be collected in the same manner as the annual assessment assessed hereunder.

Section 7. Subordination of the lien. All sums assessed against any Lot pursuant to this Declaration, together with late charges, interest in the maximum amount allowed by law, costs of collection including court costs, the expenses required for the protection and preservation of the Lot, and reasonable attorneys' fees actually incurred, all as further provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be prior and superior to all other liens whatsoever except: (a) liens for ad valorem taxes on the Lot; (b) the lien of any first priority mortgage covering the Lot and the lien of any mortgage recorded prior to the recording of this Amendment; or (c) the lien of any secondary purchase money mortgage covering the Lot, provided that neither the grantee or any successor grantee on the mortgage is the seller of the Lot; or (d) the lien of any mortgage to Grantor duly recorded in the land records of the county where the Property is located and all amounts evidenced pursuant to such mortgage and secured thereby in accordance with the terms of such instrument.

Section 8. Remedies of Association for Non-Payment of Assessment. Any assessment levied pursuant to this Declaration, or any installment thereof, which is not paid when due shall also include:

- (a) A late or delinquency charge not in excess of the greater of Ten Dollars (\$10.00) or ten percent (10%) of the amount of each assessment or installment thereof not paid when due;
- (b) Interest on each assessment or installment thereof and any delinquency or late charge pertaining thereto at the rate of ten percent (10%) per annum from the date the same was first due and payable;
- (c) The costs of collection, including court costs, the expenses required for the protection and preservation of the Lot and reasonable attorneys fees actually incurred; and
- (d) The fair rental value of the Lot from the time of the institution of an action until the sale of the Lot at foreclosure, or until judgment rendered in the action is otherwise satisfied.

If any delinquent assessment or portion thereof is not paid within ten (10) days after written notice is sent to the Lot Owner to make such payment, the entire unpaid balance of the assessment may be accelerated at the option of the Board and declared due and payable in full, and legal proceedings may be instituted to enforce such lien and personal obligation. Such notice shall be sent by certified mail, return receipt requested to the Lot Owner, both at the address of the Lot and at any other address or addresses as the Lot Owner may have designated to the Association, in writing, specifying the amount of the assessments then due and payable, together with authorized late charges and interest accrued thereon. The lien for such assessments may be foreclosed by the Association, suit, judgment or foreclosure in the same manner as other liens for the improvement of real property. The Board of Directors, acting on behalf of the Association, shall have the power to bid on the Lot at any foreclosure sale and to acquire, hold, lease, encumber and convey the same. The Association shall, in addition to and not in lieu of the foregoing remedy, have the right to bring an action against the Lot Owner to recover all assessments, interest, late fees, costs of collection (including court costs and reasonable attorneys fees actually incurred), fines and other charges for which such Lot Owner is personally obligated pursuant to the terms hereof. The lien for assessments shall lapse, and be of no further effect, as to assessments or installments thereof, together with late charges and interest applicable thereto, which first became due and payable more than three (3) years prior to the date upon which the notice contemplated in this Section is given or more than three (3) years prior to the institution of an action therefore if an action is not instituted within ninety (90) days after the giving of the notice.

Section 9. Statement from Association. Any Owner, mortgagee of a Lot, person having executed a contract for the purchase of a Lot, or a lender considering the loan of funds to be secured by a Lot, shall be entitled upon request to a statement from the Association or its management agent setting forth the amount of assessments past due and unpaid together with late charges and interest applicable thereto against that Lot. Such request shall be in writing, shall be delivered to the registered office of the Association, and shall state an address to which the statement is to be directed. Failure on the part of the Association, within five (5) business days from receipt from such request, to mail or

otherwise furnish a statement regarding amounts due and payable at the expiration of such five (5) day period with respect the Lot involved to such address as may be specified in the written request therefore shall cause the lien for assessments created hereunder to be extinguished and of no further force or effect as to the title or interest acquired by the purchaser or lender, if any, as the case may be, and their respective successors and assigns, in the transaction contemplated in connection with such request. The information specified in such statement shall be binding upon the Association and upon every Owner. Payment of a Ten Dollar (\$10.00) fee is required as a prerequisite to the issuance of each such statement, and the payment of the fee shall accompany any such request.”

4. Article V of the Declaration is hereby amended by adding the following sentence to the end of Section 6:

“Members shall abide by all relevant county laws, including but not limited to those providing requirements that all pets shall be on leashes and all waste be removed.”

5 Article V of the Declaration is hereby amended by deleting Section 9 in its entirety and substituting the following in its place:

“Section 9. Antennas. The Board may issue rules and regulations regarding the erection of exterior antennas, including, without limitation, satellite dishes; provided such rules and regulations do not prevent reception of acceptable quality signals or cause an unreasonable delay or cost to the Owner erecting such antenna. In no event shall any such antenna in excess of twelve (12) feet in height above the roof line or any satellite dish in excess of one meter in size be permitted in the Community except if installed by the Board. The Board shall have the right (but not the obligation) to erect a master antenna, satellite dish or other similar master system for the benefit of the entire Community. Each Owner acknowledges that this provision benefits all Owners and each Owner agrees to comply with this provision despite the fact that the erection of an outdoor antenna or similar device would be the most cost effective way to transmit or receive the signals sought to be transmitted or received.”

6. Article V of the Declaration is hereby amended by adding thereto a Section 22 which reads as follows:

“Section 22. Woodpiles, etc. Owner shall be entitled to maintain or construct woodpiles, decorative lighting, sculptures, artificial vegetation, flags and the like, having written approval of the Board of Directors.”

7. The Declaration is hereby amended by deleting Article VI in its entirety, and substituting the following in its place:

“ARTICLE VI
Architectural Control Committee:

Section 1. Membership. The Board shall establish and maintain an Architectural and Environmental Control Committee consisting of at least five (5) members. The Board shall have the exclusive right and authority at any time, and from time to time, to appoint and remove members of the Architectural Control Committee with or without cause.

Section 2. Procedure. No Improvements shall be erected, constructed, placed, altered, remodeled, maintained or permitted to remain on any portion of the Property, including on any Lot, until plans and specifications, in such form and detail as the Architectural Control Committee may deem necessary, shall have been submitted to the Architectural Control Committee and approved within thirty (30) days after submission in writing. If an owner violates this provision, he should do so at his own risk, whether the Association files immediate legal action or exercises other legal remedies to have the violation removed,

Section 3. Plans and Specifications. The Architectural Control Committee shall have the right to approve any submitted plans or specifications that are in compliance with this Declaration if the Architectural Control Committee reasonably determines that such plans and specifications are consistent with the Community-Wide Standards considering among other things, the following: (a) architectural character and nature, shape, color, size, material, location and kind of all proposed Improvements, taking in consideration the aesthetic quality of any Residential Unit with respect to height, form, proportion, volume, sitting and exterior materials; (b) adequacy of lot dimensions for proposed improvements; (c) conformity and harmony of exterior design with neighboring Lots and Improvements; (d) relation of topography, grade and finished ground elevations to that of neighboring Lots and Improvements; (e) screening of mechanical and other installations; (f) functional appropriateness with respect to vehicle handling, sitting of buildings (both in relationship to one another and in relationship to buildings, existing or proposed, located on other Lots), drainage, utility service systems and lighting; (g) extent and quality of landscaped areas; or (viii) compliance with the Community-Wide Standard.

Prior to the commencement of work on Improvements on any Lot, the Owner of such Lot shall submit detailed information in writing regarding the proposed Improvements including site plans and two (2) full sets of final drawings and specifications (which shall be sealed and certified by duly licensed architect or engineer if so required by the Architectural Control Committee) (hereinafter the "Plans"), showing or stating all aspects of the proposed Improvements or modifications or alterations thereto including but not limited the following:

(a) location of all structures, street rights- of-way and setback lines; (b) location, color, size, texture and style of all walks, driveways and curve lines; (c) all landscaping, including location, height, spread, type and number trees and shrubs and location and type of all ground cover and material, and existing trees and limits of clearing and grading; (d) location, height, intensity and fixture type of all exterior lighting; (e) location, size, color and type of all fencing; (f) architectural floor plans, elevation, wall sections and details of the Residential Unit; (g) building material and color information, including samples if requested; and (h) size and square footage and height of the Residential Units or all other Improvements.

Should the Architectural Control Committee fail either to approve or disapprove the Plans within thirty (30) days after submission in accordance with the terms of this Declaration, it shall be conclusively presumed that the Architectural Control Committee has approved the Plans. Approval of any Plans with regard to a Lot shall not be deemed to be a waiver of the Architectural Control Committee's right, in its discretion, to disapprove similar plans and specifications, or any features or elements included therein, for any other Lot.

If the approved work has not commenced within one (1) year from the date the Plans are approved, then the approval given pursuant to this Article shall be deemed to be automatically revoked by the Architectural Control Committee, unless the Architectural Control Committee extends the time for commencing work. In any event, all work covered by such approval shall be completed within sixty (60) days of the commencement thereof, except for such period of time as completion is rendered impossible or would result in great hardship due to strikes, fires, national emergencies, critical material shortages or other intervening forces beyond the control of the Owner, unless the Architectural Control Committee extends the time for completion.

Section 4. Release of Liability. Each Owner hereby releases the Association, the Board of Directors, and the Architectural Control Committee from any and all liability for (i) any defects in any plans and specifications submitted, revised or approved pursuant to the terms of this Declaration, (ii) any loss or damage to any Person arising out of the approval or disapproval of any such plans and specifications, (iii) any loss or damage arising from the noncompliance with such plans and specifications or any governmental ordinance or regulation, or (iv) any defects in work undertaken pursuant to such plans and specifications, regardless of whether such claim arises by reason of mistake in judgment, negligence or nonfeasance by the Architectural Control Committee.

Section 5. Compliance with Law. All Improvements, including Residential Units, constructed, erected, placed, altered, remodeled, maintained or permitted on any Lot shall comply with any and all applicable

federal, state, county and municipal zoning and building restrictions, including, but not limited to, grading, clearing, construction of impervious surfaces, building and other construction rules and regulations.

Section 6. Inspection. The Architectural Control Committee, or its designee, shall have the right during reasonable business hours to enter upon and inspect any Lot or Improvement to determine whether the approved Plans are being followed or adhered to. If the Architectural Control Committee shall determine that such Plans have not been approved or that the Plans are not being followed or adhered to, the Architectural Control Committee may in its discretion give the Owner of such Lot written notice of such violation. If such violation is not corrected, the Board of Directors shall have the right to stop further work and/or require the removal or correction of any work in place that does not comply with the approved Plans or this Declaration and to take such other action as may be allowed under this Declaration, the By-Laws or under applicable law.”

8. Section 1 of Article VII of the Declaration is hereby restated so as to continue to read as follows:

“Section 1. Duration. The terms and provisions of this Declaration shall run with and bind the Property, shall be and remain in effect, and shall inure to the benefit of and be enforceable by the Company, the Association or the owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded.

This Declaration shall be automatically renewed and extended beyond said 20-year term for successive periods of ten (10) years each unless, at the end of the initial twenty (20) years or at any time thereafter, two-thirds (2/3) of the Members shall execute an agreement terminating some or all of the provisions contained in the Declaration and shall then record the termination agreement in the DeKalb County, Georgia; provided, however, that each such termination agreement shall specify which such provisions of the Declaration are so terminated. Every purchaser or grantee of any interest in any property now or hereafter subject to this Declaration, by acceptance of a deed or other conveyance thereof, thereby agrees that the provisions of this Declaration may be extended as provided above.”

9. Article VII of this Declaration is hereby amended by deleting Section 3 in its entirety and substituting the following Section 3 in its place:

“Section 3. Enforcement. Every Owner and every occupant of any Lot, and their respective families, guests, invitees, licensees, successors and assigns, shall comply with this Declaration, the By-Laws and the Rules and Regulations of the Association, as they now exist and may be amended from time to time. Except as otherwise provided herein, the Association shall send written notice of any violation to the violating Owner, who shall have ten (10) days from the date of the notice (in the event of an emergency, as determined by the Board of Directors, only reasonable notice is required) to correct and cure the violation and comply with this Declaration, the By-Laws or the Rules and Regulations. Additionally, any lack of such compliance shall entitle the Board of Directors to impose and assess fines and other sanctions against the Owner of the Lot, which shall be collected as provided herein for the collection of assessments. Furthermore, any lack of such compliance shall authorize the Board of Directors to institute legal action against the Owner and occupant of a Lot to recover damages as a result of such party’s action or for injunctive relief, or both, which action shall be maintainable by the Board of Directors on behalf of the Association or, in a proper case, by any aggrieved Owner. Failure by the Board of Directors or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board of Directors shall have the right to record in the appropriate land records a notice of violation of the Declaration, the By-Laws, or the Rules and Regulations, and assess the cost of the recording and removing of such notice against the Owner responsible for the violation of such documents.

In addition to any other remedies provided for herein, the Board or its duly authorized agent shall have the power to enter upon any portion of the Property, including Lots and Residential Units, to abate or remove, using such force as may be reasonably necessary, any Improvement, Residential Unit, thing or condition which violates this Declaration, the By-Laws, or the Rules and Regulations. The Board shall give the violating Owner ten (10) days written notice of its intent to exercise self-help (except in

the event of an emergency, as determined by the Board of Directors in which event only reasonable notice is required). All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments."

10. Article VII of the Declaration is hereby amended by deleting Section 5 in its entirety, and substituting the following in its place:

"Section 5. Indemnification. In accordance with Section 14-3-850, et seq., of the Georgia Nonprofit Corporation Code, the Association shall indemnify every Person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the name of the Association), by reason of the fact that such Person is or was serving as a director or officer of the Association, against any and all expenses, including attorney's fees, imposed upon or reasonably incurred in connection with any action, suit or proceeding, if such Person acted in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Association only as authorized in a specific case upon a determination that indemnification of the person is proper under the circumstances.

The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be liable as Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right of indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is available at reasonable cost, as determined in the sole discretion of the Board."

11. Article VII of the Declaration is hereby amended by deleting Section 8 in its entirety, and adding the following in its place:

"Section 8. Rules and Regulations. The Association, acting through its Board of Directors, may promulgate Rules and Regulations governing the use and occupancy of the Lots and all Improvements located thereon, and the Common Area and governing the operation of the Community. Copies of all Rules and Regulations, and any changes thereto, must be furnished by the Association to all Owners prior to their effective date. The Rules and Regulations shall be binding upon all Owners and their families, tenants, guests, licensees, invitees and agents. The Owner of each Lot shall be responsible for the conduct of his family, tenants, guests, licensees, invitees and agents and shall ensure that all of the foregoing individuals comply with the terms of this Declaration, the Bylaws and Rules and Regulations."

12. The Declaration is hereby amended by deleting Article VIII in its entirety, and substituting the following in its place:

"ARTICLE VIII
Amendment

This Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of Members representing two-thirds (2/3) of the total Association vote. A meeting may be called (but shall not be required to be called) to consider and vote upon any amendment. Amendments to the Declaration shall become effective upon recordation, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within two (2) months of its recordation. In no event shall a change of conditions or circumstances operate to amend any provisions of the Declaration or by-laws. Agreement of the required majority of Lot Owners to any amendment of this Declaration shall be evidenced by a certification signed by the president of the Association attesting that the proper vote has been

obtained.”

13. The Declaration is amended by adding the following Article IX which reads as follows:

“ARTICLE IX

Leasing of Residential Units

(a) General. “Leasing,” for purposes of this Declaration, is defined as regular occupancy of a Unit by any person other than the Owner, with or without a written agreement. In order (i) to protect the equity of the Owners; (ii) to carry out the purposes for which Ashwood was formed by preserving the character of Ashwood as a homogeneous residential community of predominantly owner-occupied homes and to prevent Ashwood from assuming the character of a renter-occupied subdivision; (iii) to assist in compliance with the eligibility requirements for financing in a secondary mortgage market; and (iv) for other purposes, leasing of Residential Units at Ashwood shall be subject to the terms and conditions of this Article IX and shall be limited to twenty-five percent (25%) of the total number Residential Units located at Ashwood. Residential Units may be leased only in their entirety; no fraction or portion may be leased. There shall be no subleasing of Residential Units or assignment of leases unless approved in writing by the Board of Directors. No transient lessees may be accommodated in a Unit. No Unit may be leased by an Owner who has a past due balance on any assessment account for any Unit at Ashwood or whose is in violation of the Declaration, the by-laws or the Rules and Regulations. All leases shall be in writing and approved by the Board of Directors. All leases must be for a minimum term of one (1) year. Each Unit Owner shall give each lessee copies of the Declaration, by-laws and the Rules and Regulations of the Association. The Owner shall hire a property management company to ensure the lease is enforced.

(b) Specific Lease Terms. Each lease of a Unit shall contain these express terms, but if not included in the lease, these terms shall be deemed incorporated into such Owner’s lease by existence of this covenant. Any lessee, by occupancy of a Unit, agrees to the applicability of this covenant and to the incorporation of this language into such lessee’s lease with the Owner:

(i) Liability for Assessments, Fines and Other Charges. Lessee agrees to be personally obligated for the payment of all assessments, fines and other charges levied against the Owner which become due during any period of occupancy by the lessee or which become due as a consequence of lessee’s activities, including, but not limited to, activities which violate the provisions of the Act, or the Declaration, by-laws or Rules and Regulations of the Association. This provision shall not be construed to release the Owner from any such obligation.

Upon the failure of an Owner to pay such assessments, fines and other charges, and upon the request by the Association, a lessee shall pay to the Association all rents and other charges payable to the Owner. All such payments made by the lessee to the Association shall reduce, by the same amount, lessee’s obligation to make monthly rental payments to the Owner. It shall be the responsibility of the Association and not of the lessee to account to the Owner for funds actually received by the Association from the lessee. In the event the lessee fails to comply with the Association’s request to pay such rents and other charges to the Association, lessee shall pay to the Association all late charges, fines, interests and costs of collection, including reasonable attorneys fees actually incurred, to the same extent lessee would be required to make such payments to the Association if the lessee were the owner of the Unit.

(ii) Compliance with Declaration, by-laws and Rules and Regulations of the Association. Lessee agrees to abide and comply with all provisions of the Declaration, by-laws and Rules and Regulations of the Association. Lessee shall control the conduct of all other occupants and guests of lessee at Ashwood in order to assure compliance

with the forgoing. The Owner acknowledges he is responsible for all violations, losses and damages caused by his lessee and lessee's guests, notwithstanding the fact that such occupants and guests may be fully liable for their failure to comply with the Declaration, by-laws and Rules and Regulations of the Association. The Owner further agrees that any fines or other charges may be assessed against him due to the conduct of his lessee or the lessee's guests.

(iii) Violations. Any violation of the Declaration, by-laws or Rules and Regulations of the Association by a lessee shall be deemed to be a default and violation of the terms of a Owner's lease, authorizing the Owner to terminate such lease without liability and to evict the lessee in accordance with Georgia law. Each Owner hereby designates and appoints the Association, acting by and through the Board of Directors, as such Owner's attorney-in-fact to do any and every act that the Owner may do, and to exercise all rights of the Owner under the lease, to enforce any breach of such lease against the lessee thereunder, including the power to evict the lessee from the Unit. In the event the Association proceeds to evict any lessee, all costs, including reasonable attorneys fees actually incurred, associated with the eviction shall be specially assessed against the Owner as an expense which benefits the leased Unit and the Owner thereof. The Association shall have the authority to enforce all rights under any lease as a third party beneficiary and shall have all rights and remedies set forth herein.

(c) Applicability. Any leases existing on the date on which this Declaration is recorded shall not be subject to the terms of this Declaration. Such leases shall continue in accordance with the terms of the Declaration as it existed prior to the recording date of this Declaration. However, any assignment, extension, renewal or modification of any such lease, including, but not limited to, changes in the terms or duration of occupancy, shall be considered a termination of the old lease and a commencement of a new lease which must comply with the provisions of this Declaration. All Owners who are currently leasing shall file copies of their leases with the Board of Directors within fifteen (15) days of the date on which this Declaration is recorded in the DeKalb County, Georgia records. This Declaration shall not apply to any leasing transaction entered into by the holder of any first mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage.

(d) Use of Common Elements. By execution of a lease to the Association, the Unit Owner shall be deemed to transfer and assign to the lessee thereunder for the term of the lease any and all rights and privileges that the Owner has to use the Common Elements.

(e) Undue Hardship. Notwithstanding the limitation in subsection (c) of this Article IX, the Board of Directors, in their discretion, shall be empowered to allow reasonable leasing of Residential Units, upon written application, to avoid undue hardship upon an Owner, including, but not limited to, those instances where (i) an Owner must relocate his residence and cannot, within ninety (90) days from the date that the Unit was placed on the market, sell the Unit for the current fair market value (as may be determined by an appraiser or any other person approved by the Board and paid for by the Owner), after having made reasonable efforts to do so; (ii) the Owner dies and the Unit is being administered by his estate; (iii) the Owner temporarily relocates outside the metropolitan Atlanta area and intends to return to reside in the Unit; (iv) the Unit is to be leased to a parent, brother, sister, or child of the Owner. Those Owners who are required to demonstrate and who have demonstrated that the inability to lease their Unit would result in undue hardship and have obtained the requisite approval of the Board may lease their Residential Units for such duration as the Board reasonably determines is necessary to prevent undue hardship. In the event the Board permits an Owner to lease a Unit for a stated period of time in order to prevent undue hardship, such Owner shall immediately discontinue leasing of his Unit at the end of such period of time unless the Board renews or extends permission to lease.

Any Owner who believes that he must lease his Unit to avoid undue hardship shall submit a written application to the Board at least thirty (30) days in advance of the proposed commencement of such lease term, setting forth the circumstances necessitating the leasing, the name of the proposed lessee, a copy of the proposed lease, and such other information as the Board may reasonably require. However, failure of the Board to approve or disapprove such written application to allow for

leasing due to undue hardship within thirty (30) days from the date of its submission shall automatically deem such application approved by the Board.”

14. The Declaration is amended by adding thereto the following Article X which reads as follows:

“ARTICLE X
Compliance with Declaration, Bylaws, Rules and Regulations

Every Owner and all those entitled to occupy a Lot shall comply strictly with all lawful provisions of the Georgia Property Owners Association Act, with any reasonable rules and regulations of the Association, the provisions of the Declaration, and with the provisions of the Bylaws of the Association. Any lack of such compliance shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in any proper case, by one or more aggrieved Owners on their own behalf or as a class action. The Association shall be empowered to impose and assess fines and other sanctions against the Owner of the Lot, which shall be collected as provided herein for the collection of assessments.”

15. The Declaration is amended by adding thereto an Article XI which reads as follows:

“ARTICLE XI
Election to be Governed by the Georgia Property Owners Association Act

The Property shall be subject to and governed by the Georgia Property Owners Association Act, set forth in Article VI of Chapter 3 of Title 44 of the Official Code of Georgia Annotated, as the same now exists or may be amended from time to time.”

16. The Declaration is amended by adding thereto an Article XII which reads as follows:

“ARTICLE XII

Definitions

The following words, when used in this Declaration or in any amendment to this Declaration shall have the following meanings:

Section 1. “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of the Association, as such document may be amended from time to time.

Section 2. “Association” shall mean and refer to Ashwood Homeowners Association, Inc., a non-profit, non-stock, membership corporation incorporated under the laws of the State of Georgia, and its successors and assigns.

Section 3. “Board of Directors” or “Board” shall mean and refer to the governing body of the Association, having such duties as are provided in the Declaration, the by-laws, the Articles of Incorporation, the Georgia Non-Profit Corporation Code and under other applicable Georgia law.

Section 4. “by-laws” shall mean and refer to the by-laws of the Association which govern the administration and operation of the Association, as such document may be amended from time to time.

Section 5. “Common Area” shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners or otherwise made available for the exclusive use and enjoyment of the Owners.

Section 6. “Common Expenses” shall mean and refer to the actual and estimated expenses of operating the Association and the Community, including reasonable capital reserves, all as may be imposed hereunder or found to be necessary or appropriate by

the Board pursuant to this Declaration, the by-laws and the Articles of Incorporation.

Section 7. "Community" shall mean and refer to the residential development by Declarant on the Property known as Ashwood.

Section 8. "Community-Wide Standard" shall mean and refer to the standard generally prevailing in the Community for conduct, maintenance, architectural and design standards and other matters as determined by the Board.

Section 9. "Improvements" shall mean and refer to any Residential Unit, driveways, parking areas, fences, walls, recreational equipment, playhouses, play equipment, steps, landscaping, lighting, signage, excavation, ditches, diversions, beams or any other thing or device that alters the flow of any water and all other structures, improvements or landscaping materials of every kind and type placed, erected, constructed, maintained or permitted on a Lot.

Section 10. "Lot" shall mean any plot of land shown as a numbered parcel on the plat or any plat of survey hereafter recorded if such numbered parcel becomes subject to this Declaration and the jurisdiction of the Association.

Section 11. "Majority" shall mean and refer to those eligible votes totaling more than fifty percent (50%) of the total eligible number.

Section 12. "Member" shall mean and refer to an Owner.

Section 13. "Owner" shall mean and refer to the record Owner of any Lot which is part of the Property within the Community, but excluding (i) any Person holding an interest merely as security for the performance or satisfaction of any obligation and (ii) contract purchasers.

Section 14. "Person" shall mean and refer to any natural person, corporation, joint venture, partnership (general or limited), association, trust or other legal entity.

Section 15. "Property" shall mean and refer to that certain real property described in Article I.

Section 16. "Residential Unit" shall mean and refer to any building, structure, or improvement on any Lot intended for use and occupancy as a residence and all appurtenances thereto including but not limited to all garages, porches, balconies, accessory structures, decks, overhangs, foundations, extensions and projections therefrom.

Section 17. "Rules and Regulations" shall mean and refer to those rules and regulations promulgated by the Board of Directors of the Association pursuant to this Declaration and the by-laws, as such rules and regulations may be amended from time to time."

17. Except as specifically amended herein, the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been signed, sealed and delivered by the Association, through its duly appointed officers, as of the day and year first above written. By execution below, the President and Secretary of the Association hereby certify that two-thirds (2/3) of the Owners have approved this Amendment. By execution below, the Grantor has approved this amendment.

ASHWOOD HOMEOWNERS
ASSOCIATION, INC.

By: _____

President

Attest:

Signed, sealed and delivered in
the presence of:

Secretary

[CORPORATE SEAL]

Unofficial Witness

Notary Public

My Commission Expires: