Ashwood Homeowner's Association, Inc.

August 11, 2000

Enclosed please find a copy of our new covenants. They are filed with the Secretary of State of Georgia and the DeKalb County Superior Court and are binding for all homes in Ashwood subdivision. This is the Fourth Amendment so Amendments 1, 2, and 3 are still binding. We would like to point out several of the most important changes:

Architectural Control Committee Procedures - Pages 7-8, Definition of Improvements on Page 14

Enclosed is a form used to submit a request for making any improvements to your property which includes paint color, driveways, fencing, lighting, doors, screens, awnings, building materials, and the like. Failure to gain approval for any improvements may have monetary consequences.

Leasing of Rental Units - Pages 11-13

All Leases shall be in writing and must be approved by the Board of Directors. The lease must be for a term of one (1) year and the owner must hire a property management company to manage the property. There will be a limit of 25% of the total Residential Units permitted to be leased.

Please read this section carefully if you are leasing now or plan to in the future.

We would welcome anyone's involvement for any of the committees.

Please contact any officer should you have questions.

The Officers

Brent Henderson, President	404-288-1188
Michelle Pickard, V.P.	404-284-2800
Jeff Keesee, Secretary	404-288-0172
Robin Moore, Treasurer	404-286-4490

Ashwood Homeowners Association
Architectural Control Committee

Request for Change

Attach written request for any plans or paint samples to this form. Contact each member of the Committee to review and vote on request. When the form is completed, make file copy and send original to requestor as confirmation of the Committee's action.

REQUEST

Date Received:		*Received By/ Request Steward*	

Name:		*Phone #:*	

Address:	

Request Type:	____Paint ____Awning ____Fence/Wall ____Exterior Renovation ____Porch ____Other (*specify)*

VOTE

Committee Member	*Telephone*	*Approval-Circle One*	*Comments*
Cathie Herman	404-286-9504	Yes No	
Terry Pickard	404-284-2800	Yes No	
Karen Dessables	404-289-3185	Yes No	
Sandee House	404-286-4099	Yes No	
Frank Carollo	404-286-6622	Yes No	
		Yes No	
		Yes No	
		Yes No	
		Yes No	

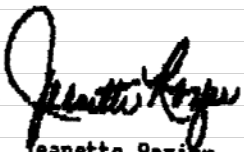
ACTION

Action	*Date*	*Action*	*Date*
❑ Approved As Requested		❑ Forwarded to Full Association	
❑ Conditionally Approved (*See Notes)*		❑ Request Withdrawn	
❑ Denied		❑ Other *(Specify)*	

Notes:

Signed:_____

Deed Book 11486 Pg 348
Filed and Recorded Jul-24-2000 02:27pm
2000-0080262



Jeanette Rozier
Clerk of Superior Court Dekalb Cty. Ga.

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

Cross Reference: Deed Book 7436
Page 484

STATE OF GEORGIA

COUNTY OF DEKALB

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 Count, 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: Brent Henderson
President

Attest: _____
Secretary

[CORPORATE SEAL]

Signed, sealed and delivered in the presence of:

_____
Unofficial Witness

Mary E. Keeser
Notary Public

My Commission Expires: May 8, 2004

MARY E. KEESER
MY COMMISSION EXPIRES
MAY 8 2004
DEKALB COUNTY, GEORGIA
NOTARY PUBLIC

Deed Book 11486 Pg 362

Jeanette Rozier
Clerk of Superior Court Dekalb Cty. Ga.

ASHWOOD/DOCS/4TH AMD DEC