After Recording Return To: Lueder, Larkin & Hunter, LLC 5900 Windward Parkway, Suite 390 Alpharetta, Georgia 30005 Attn: Elina V. Brim

Cross Reference: Deed Book 37422, Page 05

STATE OF GEORGIA

COUNTY OF GWINNETT COUNTY

AMENDMENT TO THE DECLARATION OF ADDITIONAL COVENANTS FOR CHANDLER CREEK

This Amendment to the Declaration of Additional Covenants for Chandler Creek (hereafter referred to as "Amendment") is made on the date set below.

WITNESSETH:

WHEREAS, Chandler Creek Associates, Inc., a Georgia corporation (hereafter referred to as "Declarant"), recorded that certain Declaration of Covenants, Conditions, and Easements for Chandler Creek, Unit I, on May 15, 1990 in Deed Book 6024, Page 36 of the Gwinnett County, Georgia land records (hereafter referred to as the "Original Declaration");

WHEREAS, the Original Declaration was specifically applied to Chandler Creek Unit Two and Chandler Creek Unit Three by reference thereto in the plats recorded for Unit Two and Unit Three, at Plat Book 53, Page 288 and Plat Book 56, Page 41, respectively;

WHEREAS, owners of the Chandler Creek subdivision subsequently consented to and recorded that certain Declaration of Additional Covenants for Chandler Creek, recorded on June 16, 2009, in Deed Book 49542, Page 745 of the Gwinnett County, Georgia land records (hereafter referred to as the "New Declaration");

WHEREAS, the New Declaration established a homeowners association, and created a permanent and mandatory membership for Participating Members who consented to said Declaration;

WHEREAS, Article 6 of the New Declaration provides that it may be amended with the affirmative vote, written consent or any combination thereof at least two-thirds (2/3) of the total eligible votes of the Participating Members;

WHEREAS, material amendments to the New Declaration must be approved by Eligible Mortgage Holders, which is defined as any holder of a First Mortgage secured by a Lot, which Lot is a portion of the Property, who has requested notice of certain items, including notice of any proposed amendment;

WHEREAS, this Amendment has been approved by at least two-thirds (2/3) of the total eligible votes of the Participating Members, whose consent forms are attached hereto and incorporated by reference herein;

WHEREAS, as of the date of this Amendment, there are no Eligible Mortgage Holders who requested notice of any proposed amendments;

NOW, THEREFORE, the New Declaration is hereby amended as follows:

1.

Article 2 of the New Declaration is amended by adding the following definition thereto:

(r) Georgia Property Owners' Association Act or Act shall mean the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, et seq., as the same may be supplemented, amended or modified. Chandler Creek is a residential property owners development which is hereby submitted to the Act. The Declaration and all property subject to the Declaration are accordingly submitted to the Act, and any provision in the Declaration to the contrary shall be null and void.

2.

Article 7 of the Declaration is amended by striking same in its entirety and replacing it with the following:

7. Restrictive Covenants. A Declaration of Covenants for Unit One (1) recorded in Deed Book 6024, Page 36 through 42, Gwinnett County, Georgia also sets forth certain restrictive covenants affecting the Lots. Such covenants shall run to the benefit of, and be enforceable by the Association, and, in an appropriate case, an aggrieved Lot Owner. Each Participating Member hereby consents that the covenants and restrictions of the Declaration shall run and bind the Property perpetually.

The New Declaration is amended by adding the following Article 10 thereto:

10. LEASING

<u>Leasing</u>. In order to protect the equity of the individual Owners within the Property, to carry out the purpose for which the Property was formed by preserving the character of the Property as a residential Property of predominantly owner-occupied homes, to prevent the Property from assuming the character of a renter-occupied complex, and to comply with any eligibility criteria for mortgages, including mortgages on the secondary mortgage market, insofar as such criteria provide that the Property be substantially owner-occupied, leasing of Lots shall be governed by the restrictions imposed by this Article 10.

- (a) Except as provided herein, the leasing of Lots is hereby prohibited.
- (b) <u>Definition</u>. "Leasing," for purposes of the Declaration, is defined as the regular, exclusive occupancy of a Lot by any person or persons other than the Owner; provided, however, leasing shall not include exclusive occupancy by the spouse, child or parent of an Owner and shall not include the occupancy by a roommate of an Owner who occupies the Lot as such Owner's primary residence.
- (c) <u>General</u>. Any Owner who desires to lease such Owner's Lot, including the residence thereon, may do so only if the Owner has applied for and received from the Board of Directors either a "Leasing Permit" or a "Hardship Leasing Permit." Such a permit, upon its issuance, will allow an Owner to lease his or her Lot provided that such leasing is in strict accordance with the terms of the permit and this Article. All permits shall be valid only as to a specific Owner and Lot and shall not be transferable between either Lots or Owners.
- (d) <u>Leasing Permits</u>. An Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have been issued for less than ten (10%) of all Lots in the Property. A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (1) the sale, foreclosure, or transfer of the Lot (excluding sales or transfers to an Owner's spouse, a person cohabitating with the Owner, or a corporation, partnership, company, or legal entity in which the Owner is a principal); (2) the failure of an Owner to lease his or her Lot within six months of the Leasing Permit having been issued; (3) the failure of an Owner to have his or her Lot leased for any consecutive six month period thereafter; or (4) the occurrence of the date referenced in a written notification by the Owner to the Association that the Owner will, as of said date, no longer need the Leasing Permit.

If current Leasing Permits have been issued for ten (10%) of Lots, no additional Leasing Permits shall be issued (except for Hardship Leasing Permits, as set forth below) until the number of outstanding current Leasing Permits falls below ten (10%) percent. Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued a Leasing Permit if they so desire when the number of current outstanding Leasing Permits

issued falls to below ten (10%) percent. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

Hardship Leasing Permits. If the failure to lease will result in a hardship, an Owner may seek to lease on a hardship basis by applying to the Board of Directors for a Hardship Leasing Permit. The Board of Directors shall have the authority to issue or deny requests for Hardship Leasing Permits in its sole discretion. In making such a determination, the Board may take any factor into account, including: (1) the nature, degree, and likely duration of the hardship, (2) the number of Hardship Leasing Permits which have been issued to other Owners, (3) the Owner's ability to cure the hardship, and (4) whether previous Hardship Leasing Permits have been issued to the Owner. A "hardship" as described herein may include, but not be limited to the following situations: (1) an Owner must relocate his or her residence outside the greater Atlanta metropolitan area and cannot, within six months from the date that the Lot was placed on the market, sell the Lot except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) where the Owner dies and the Lot is being administered by his or her estate; or (3) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Lot. Hardship Leasing Permits shall be valid for a term not to exceed one year. Owners may apply for additional Hardship Leasing Permits. Hardship Leasing Permits shall be automatically revoked if during the term of the permit, the Owner is approved for and receives a Leasing Permit.

(f) <u>Leasing Provisions</u>. Leasing of Lots shall be governed by the following provisions:

- (1) <u>Notice</u>. At least seven (7) days prior to entering into the lease of a Lot, the Owner shall provide the Board of Directors with a copy of the proposed lease and such other information as the Board may reasonably require. The Board may approve or disapprove the form of said lease. In the event a lease is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease in compliance with the Declaration and any rules and regulations adopted pursuant thereto. Within ten (10) days from the execution of the lease by both parties, the Owner shall provide the Board with a copy of the executed lease and the names and phone number of the lessees.
- (2) <u>General</u>. Lots may be leased only in their entirety; no fraction or portion may be rented. There shall be no subleasing of Lots or assignment of leases unless approved in writing by the Board. All leases shall be for a period of at least twelve (12) months, except with written Board approval. The Owner must provide the tenant copies of the Declaration, Bylaws, and Association rules and regulations, and the written lease shall provide that the Owner has done so. The Association shall be authorized to assess a leasing administration fee to Owners who are leasing their Lots in an amount not to exceed fifty (50%) percent of the annual assessment in effect for the fiscal year during which the Lot is leased.
- (3) <u>Liability for Assessments and Compliance With Declaration, Bylaws, and Rules and Regulations</u>. Any lease of a Lot shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such

language shall be incorporated into a lease by existence of this covenant on the Lot. Any lessee, by occupancy of a Lot, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(A) <u>Liability for Assessments</u>. Lessee agrees to be personally obligated for the payment of all assessments and all other charges against the Owner which become due during the term of the lease and any other 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 provisions of the Declaration, the Bylaws, or the rules and regulations adopted pursuant thereto. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

When an Owner who is leasing his or her Lot fails to pay any assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon demand by the Board of Directors, lessee shall pay to the Association all unpaid annual and special assessments and other charges, as lawfully determined and made payable during the remaining term of the lease and any other period of occupancy by lessee following such demand. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's demand to pay assessments or other charges to the Association, lessee shall be obligated to pay to the Association all late charges, fines, interest, and costs of collection, including, but not limited to, reasonable attorney's fees actually incurred, to the same extent lessee would be required to make such payments to the Association if lessee were the Owner of the premises during the term of the agreement and any other period of occupancy by lessee, and including all amounts paid by lessee to lessor following the date of such demand from the Board.

Compliance with Declaration, Bylaws, and Rules and Regulations. Lessee shall abide by and comply with all provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other occupants and guests in order to insure compliance with the foregoing. Lessee acknowledges that the violation by lessee or any occupant living with lessee of any provision of the Declaration, Bylaws, or rules and regulations adopted thereunder shall constitute a default under this lease. Owner shall cause all occupants of his or her Lot to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and is responsible for all violations and losses caused by such occupants, notwithstanding the fact that such occupants of the Lot are fully liable and may be sanctioned for any violation of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto. If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule and regulation for which a fine is imposed, such fine may be assessed against the lessee and/or the Owner; provided, however, if a fine is not paid by the lessee within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Board of the lessee's failure to do so. Unpaid fines shall constitute a lien against the Lot. Any lessee charged with a violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto is entitled to the same procedure to which an Owner is entitled prior to the imposition of a fine or other sanction.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by lessee, any occupant, or any person living with lessee is deemed to be a violation of the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby irrevocably delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee on behalf and for the benefit of the Owner, in accordance with the terms hereof, or to require the Owner to do so. In the event the Association proceeds to evict the tenant, any costs, including attorney's fees and court costs, associated with the eviction shall be specially assessed against the Lot and the Owner thereof, such being deemed hereby as an expense which benefits the leased Lot and the Owner thereof; and the Owner shall not again lease the Owner's Lot to any person without the expressed written approval of the Board.

(g) Applicability of this Article (Grandfathering of Lots Which Are Leased on the Effective Date hereof). Except as provided herein, the leasing restrictions within this Article 10 shall not apply to any Owner who is an Owner of a Lot on the date this Amendment is recorded in the Gwinnett County, Georgia land records if the Owner is leasing the Lot on such date pursuant to a lease for an initial term of six months or longer in accordance with the terms of the Declaration. The Owner may continue to lease the Lot in accordance with the terms of the Declaration as it existed prior to the date this Amendment is recorded in the Gwinnett County, Georgia land records; provided, however, upon the conveyance of ownership of the Lot for value, all leasing restrictions of this Article 10 shall apply. The expressed purpose of this grandfathering provision is to allow Owners who own, and who are leasing, Lots as of the date this Amendment is recorded in the Gwinnett County, Georgia land records (the "Effective Date") to continue to lease their Lots without a Leasing Permit or Hardship Leasing Permit, but to thereafter restrict leasing upon conveyance of ownership of the Lots (e.g., resales).

Grandfathered Owners shall, within ninety (90) days of the Effective Date, shall provide a copy of a fully executed lease evidencing that the Owner's Lot was leased as of the Effective Date. Failure to provide such lease shall create a presumption that the Lot was not leased on the Effective Date, and thus, is not a Grandfathered Lot.

(h) Entity Owners. If the Owner of a Lot is a corporation, a limited liability company, partnership, trust, or other legal entity not being a natural person, the entity shall designate in writing to the Board of the Directors the name(s) of the natural person(s) who will occupy the Lot, and such designation shall not constitute leasing. To constitute a valid designation in accordance with this subsection, the natural person must have a substantial relationship to the legal entity, including being a shareholder, director, or officer of the corporation, being a member of the limited liability company, being a partner in the partnership, or being a beneficiary of the trust. Proof of such substantial relationship shall be submitted to the Association prior to the occupancy of the Lot. In no event shall the natural person(s) designated to occupy the Lot be changed more frequently than once every twenty-four (24) months.

If the entity Owner receives any consideration or benefit, including, but not limited to, rent, a fee, service, or gratuity from or on behalf of the designated person(s) occupying the Lot, then such arrangement shall be considered leasing, and the Owner shall be required to comply with the entirety of this Article. The expressed purpose of this subsection is to ensure that entity owners do not utilize the designation of a natural person to occupy the Lot in order to circumvent the leasing restriction contained within this Article 10.

Any leasing entity Owners shall be grandfathered, provided it complies with the grandfathering provision within subsection (f) above.

(i) <u>Transient tenants</u>. No transient tenants shall be allowed. All short term leases are prohibited, including but not limited to AirBNB, VRBO, and similar type occupancy arrangements.

IN WITNESS WHEREOF, the undersigned officers of the Association unequivocally state that the agreement of the required majority was otherwise lawfully obtained and that all notices required by the Declaration and the Georgia Property Owners Association Act, O.C.G.A.§ 44-3-220, et. seq., were properly given.

Dated this day of	, 20
	CHANDLER CREEK HOMEOWNERS ASSOCIATION, INC.
	Signature of President Print Name:
Sworn to and subscribed before me this day of, 20	
Witness:	
Notary Public	
	Signature of Secretary Print Name:
Sworn to and subscribed before me this day of, 20	
Witness:	
Notary Public	