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[SPACE ABOVE RESERVED FOR RECORDING DATA]

Return to: NowackHoward, LLC

One Alliance Center, Suite 1650 3500 Lenox Road Atlanta, Georgia 30326

Attn: SPB

STATE OF GEORGIA COUNTY OF CHEROKEE Cross- Reference: Deed Book 7986, Page 125

Deed Book 7986, Page 209 Deed Book 9388, Page 433 Deed Book 11224, Page 372 Deed Book 12371, Page 280 Deed Book 12876, Page 450 Deed Book 12876, Page 469 Deed Book 12876, Page 475 Deed Book 14182, Page 1900 Deed Book 14718, Page 2678

AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WOODSTOCK DOWNTOWN RESIDENTIAL AND TO THE BYLAWS OF WOODSTOCK DOWNTOWN RESIDENTIAL ASSOCIATION, INC.

WHEREAS, that certain Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential was entered into and filed at Deed Book 7986, Page 125, et seq., on June 16, 2005, in the Cherokee County, Georgia land records ("Declaration"); and

WHEREAS, the Bylaws of Woodstock Downtown Residential Association, Inc. are recorded as Exhibit "D" to the Declaration ("Bylaws"); and

WHEREAS, the community developer, Woodstock Development, LLC, as later succeeded, recorded the following five supplementary declarations entered and filed in the Cherokee County, Georgia land records as follows:

- Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded June 16, 2005, Book 7986, Page 209, Cherokee County records:
- Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded February 8, 2007, Book 9388, Page 433, Cherokee County records;
- Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded May 3, 2013, Book 12371, Page 280, Cherokee County records;
- Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded June 6, 2014, Book 12876, Page 450, Cherokee County records;

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 Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded June 6, 2014, Book 12876, Page 475, Cherokee County records;

WHEREAS, Woodstock Downtown Residential Association, Inc. (hereafter referred to as "Association") is the homeowners association identified and defined within the Declaration and Bylaws; and

WHEREAS, the Association recorded the Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded June 2, 2017, Book 14182, Page 1900, Cherokee County records; and

WHEREAS, the Association adopted and recorded an Amendment Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential and to the Bylaws of Woodstock Downtown Residential Association, Inc. for Submission to the Georgia Property Owners' Association Act ("POAA") at Deed Book 14718, page 2678, et seq., on October 26, 2021, in the Cherokee County, Georgia land records; and

WHEREAS, Article 14, Section 14.2(c) of the Declaration provides for amendment of the Declaration by the agreement of Members holding sixty-seven percent (67%) of the total Association vote; and

WHEREAS, pursuant to Article 14, Section 14.2(c) of the Declaration, Members holding sixty-seven percent (67%) of the total Association vote have approved this Amendment in accordance with the terms and provisions of the Declaration; and

WHEREAS, Article 5, Section 5.9(c) (or after herein correction of the scrivener's error in the numbering of the Article 6, known as Article 6, Section 6.6(c)) of the Bylaws provides for amendment of the Bylaws with the approval of Members holding sixty-seven percent (67%) of the total Association vote; and

WHEREAS, pursuant to Article 5, Section 5.9(c) (or after herein correction of the scrivener's error in the numbering of the Article 6, known as Article 6, Section 6.6(c)) of the Bylaws, Members holding sixty-seven percent (67%) of the total Association vote have approved this Amendment in accordance with the terms and provisions of the Bylaws; and

WHEREAS, the Declarant no longer owns any property in Woodstock Downtown Residential (the "Community") primarily for development or sale and voluntarily relinquished its rights as Declarant through the Supplemental Declaration of Covenants, Conditions and Restrictions for Woodstock Downtown Residential recorded June 6, 2014, Deed Book 12876, Page 475, Cherokee County records; and, therefore, its consent to this Amendment is not necessary; and

WHEREAS, the Declaration of Condominium for Woodstock Residential Downtown Condominium recorded February 8, 2007, Deed Book 9388, Page 348, Cherokee County records ("Condominium Declaration"), submitted a portion of the Property to the condominium form of ownership; and

WHEREAS, the Condominium Declaration sets a leasing cap of twenty-five percent (25%) for the neighborhood comprised of condominium units; and

WHEREAS, for purposes of this Amendment, the effective date shall mean the date this Amendment takes effect as of recordation (hereafter referred to as the "Effective Date"); and

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WHEREAS, this Amendment does not alter, modify, change, or rescind any right, title, interest, or privilege herein granted or accorded to the holder of any first Mortgage encumbering any Lot or the Common Area affected thereby; provided, however, if a court of competent jurisdiction determines that this Amendment does so without such Mortgage holder's necessary approval, then this Amendment shall not be binding on such Mortgage holder, unless it consents hereto; and if such consent is not forthcoming, then the provisions of the Declaration prior to this Amendment shall control with respect to the affected Mortgage holder; and

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

1.

Article 1 of the Declaration, "Definitions," is hereby amended by adding the following Section 1.45, "Occupant", to the end of Article I:

1.45 "Occupant": Any Person who stays or remains in a dwelling on a Lot overnight. "Occupy," "Occupancy," and "Occupied" shall refer to the situation when a Person, natural or otherwise, stays or remains on a Lot overnight. By way of example, but not in limitation, a Person who is permitted access to a dwelling on a Lot using the services of a Rental Online Marketplace is considered an Occupant and the use of the Lot is considered Leasing, which is <u>prohibited</u> under Article 10, Section 10.4 of this Declaration.

2.

Article 10, Section 10.4 of the Declaration, "Leasing," is hereby amended by deleting Section 10.4 in its entirety and substituting therefore the following Section 10.4:

10.4 LEASING.

- (a) <u>Definition of "Single-Family Home," "Townhome" and "Unit" for Purposes of Section 10.4.</u>
- (i) For the limited purposes of this Section 10.4 only, the definition of "Single Family Home" under this Section 10.4 shall mean those Lots containing dwellings that are not attached at any point to another dwelling and contain no more than one dwelling unit.
- (ii) For the limited purposes of this Section 10.4 only, the definition of "Townhome" under this Section 10.4 shall mean those Lots containing multi-level residential dwellings sharing a common wall or walls with other Lots containing residential multi-level dwellings.
- (iii) For the limited purposes of this Section 10.4 only, the definition of "Unit" under this Section 10.4 shall mean those Lots containing residential units sharing floors and ceilings located in a building containing residential units comprising the Woodstock Downtown Residential Condominium and as further defined in Article 2, Section 2.34 of Condominium Declaration.
- (b) <u>Definition of "Owner" for Purposes of Section 10.4</u>. For the limited purposes of this Section 10.4 only, the definition of "Owner" under this Section 10.4 shall include all Owners, but shall not include any record holder of an interest in title to a Single-Family Home or Townhome, as hereinafter defined, that is twenty-five percent (25%) or less, unless all title interests are held in equal percentages or unless the holders of all record title interests prove to the satisfaction of the Board of Directors by sworn affidavits and competent evidence (and in addition to the title documents filed in the land records or with other governmental agencies or departments) that the

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distribution of title interests in a Single-Family Home or Townhome: (1) is a bona fide fee simple transfer for value, (2) is otherwise in good faith, and (3) is not intended to avoid a violation of the requirements of this Section 10.4 or of any other provision of, or the purposes of, the Governing Documents, as such is determined by the Board in its discretion. The record holders of all the title interests in a Single-Family Home or Townhome shall have the burden of proof and it shall be presumed that a holder of a title interest of 25% or less is not an "Owner" for the purposes of this Section 10.4. In its sole discretion, the Board may require submission of additional information to evaluate a transfer transaction and aid its determination under this subsection.

This modification to the definition of "Owner" shall not be construed to affect the validity of any transfer of title to, or ownership of, a Single-Family Home or Townhome (as ownership may otherwise be defined by law), it being the intent of this Section to only regulate and restrict the occupancy of Single-Family Homes or Townhomes to bona fide Owners and the others allowed herein. Further, this modification to the definition of "Owner" shall not be construed to exempt any record holder of an interest in title to a Single-Family Home or Townhome who is otherwise an "Owner" pursuant to the terms of this Declaration, regardless of his or her respective percentage of ownership interest, from any rights, liabilities or obligations applicable to an Owner pursuant to any provision of this Declaration other than this Section 10.4, including but not limited to, the obligation to pay assessments pursuant to this Declaration.

(c) Other Definitions.

- (i) <u>Guest</u> shall mean a natural person who (a) is specifically invited by an Owner to Occupy a Single-Family Home or Townhome and (b) who does not pay the Owner either directly or indirectly any fee, service charge, or any other consideration in exchange for his or her Occupancy and (c) who does not Occupy the Single-Family Home or Townhome for more than ninety (90) days in a year. Persons Occupying a Single-Family Home or Townhome through use of a Rental Online Marketplace shall not be considered Guests hereunder.
- (ii) Leasing. For the purposes of this Declaration to "Lease" and "Leasing" means the Occupancy of a Single-Family Home or Townhome, which shall include any Single-Family Home or Townhome, by any Person(s) other than: (1) the Owner or a parent or parent-in-law, legal spouse of an Owner, or an Owner's child or step child (collectively referred to as "Authorized Occupant"); (2) an Authorized Corporate Occupant; or (3) a roommate of an Authorized Occupant or Authorized Corporate Occupant. Leasing of Single-Family Homes or Townhomes is allowed only by (1) an Owner who has received a Leasing Permit as provided below; (2) an Owner who has received a Hardship Leasing Permit as provided below; (3) an Owner leasing his, her or its Single-Family Home or Townhome as of the date of the recordation of this Amendment and complying with Section 10.4(p); or (4) the Association. A Person Leasing a Single-Family Home or Townhome shall be referred to herein as a "Lessee."
- (iii) <u>Rental Online Marketplace</u> means any accommodation-sharing website or online platform through which properties are marketed or offered for transient and/or short-term rental or occupancy. The term Rental Online Marketplace specifically includes, but is not limited to, the websites and platforms known as "Airbnb," "Vrbo," "FlipKey," "Vacasa," and "CouchSurfing."
- (iv) <u>Roommate</u> shall be defined as any Person who Occupies a Single-Family Home or Townhome as his/her primary residence pursuant to a written agreement with the Authorized Occupant or Authorized Corporate Occupant thereof (the "Roommate Agreement") under which such Person will Occupy the entirety of the Single-Family Home or Townhome for a period of at least ninety (90) days out of one hundred and twenty (120) consecutive days, during

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which period the Authorized Occupant or Authorized Corporate Occupant also Occupies the Single-Family Home or Townhome as his or her primary residence. Notwithstanding the presence of an Owner, a Person shall not be considered a Roommate when that Person's access to the Single-Family Home or Townhome is arranged through the services of a Rental Online Marketplace.

The Board may require submission of additional true and accurate information that the Board deems necessary, in its reasonable discretion, to determine the length for which the Authorized Occupant or Authorized Corporate Occupant has Occupied a Single-Family Home or Townhome and whether such Occupancy qualifies as the primary residence and whether a Person identified as an Authorized Occupant, Roommate or Guest meets the requirements set forth hereunder, including, but not limited to, requesting copies of the written Roommate Agreement.

- (v) <u>Corporate Occupancy.</u> If an Owner of a Single-Family Home or Townhome is a corporation, limited liability company, partnership, trust, an unincorporated association, or is otherwise not a natural person, then such Owner's Single-Family Home or Townhome may only be Occupied by a natural person designated by the Board in writing as meeting the requirements set forth in this Section 10.4(c)(v) (the "Authorized Corporate Occupant").
 - (A) Definition. An Authorized Corporate Occupant shall only be an officer, director, shareholder, member or employee of an Owner that is a corporation; a manager or member of an Owner that is a limited liability company; a partner of an Owner that is a partnership; or a trustee or beneficiary of an Owner that is a trust; provided that to qualify as an Authorized Corporate Occupant: (i) neither the Owner, nor any other interest holder in the Single-Family Home or Townhome or in the Owner, may receive any rent or other consideration for such Occupancy; (ii) with the exception of a beneficiary of an Owner that is a trust, the Authorized Corporate Occupant of a Single-Family Home or Townhome must perform a valid corporate/entity/partnership function(s) for the Owner that is unrelated to the Single-Family Home or Townhome or the Authorized Corporate Occupant's occupancy thereof; and (iii) the designation of Authorized Corporate Occupant must be in good faith and not intended to avoid a violation of the requirements of this Section 10.4 of the Declaration, or the purposes thereof, as such is determined by the Board in its discretion.

Notwithstanding the above, if the natural person proposed by Owner as the Authorized Corporate Occupant of its Single-Family Home or Townhome is not: (i) the only officer of or at least a fifty percent (50%) shareholder or member of an Owner that is a corporation; (ii) at least a fifty percent (50%) member of an Owner that is a limited liability company; (iii) at least a fifty percent (50%) member of an Owner that is a partnership; or (iv) at least a fifty percent (50%) beneficiary of an Owner that is a non-revocable trust, then it shall be presumed that the designation of such natural person is not in good faith and that the natural person does not fit within the definition of Authorized Corporate Occupant hereunder. To overcome this presumption, the Owner shall bear the burden of proving to the Board, in its discretion, that the designation of such natural person as Authorized Corporate Occupant is in good faith and not intended to avoid a violation of the requirements of this Section 10.4 of the Declaration, or the purposes thereof, and meets all other requirements for the Authorized Corporate Occupant set forth hereunder.

(B) Designation. An Owner, who is not a natural person, may apply to have a natural person designated as an Authorized Corporate Occupant by providing the Board a written application that includes the name of the proposed Authorized Corporate Occupant and

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documentation evidencing the proposed Authorized Corporate Occupant's relationship with the Owner. The Board may require submission of additional true and accurate information that the Board deems necessary, in its sole discretion, to determine whether the natural person proposed as an Authorized Corporate Occupant meets the requirements for Authorized Corporate Occupancy hereunder. Information which may be requested by the Board may include, but is not limited to, Owner's organizational documents, books and records, and affidavits from Owner's officers, directors, members, and trustees.

Upon a determination that a natural person meets the requirements of this Section 10.4 of the Declaration for designation as an Authorized Corporate Occupant, the Board shall issue a written notice to the Owner designating the natural person as the Authorized Corporate Occupant of Owner's Single-Family Home or Townhome. A Person's designation as an Authorized Corporate Occupant shall terminate automatically upon such Person ceasing to meet the definition of Authorized Corporate Occupant set forth herein. The designated Person to Occupy a Single-Family Home or Townhome shall not be changed more frequently than once every twelve (12) months without the prior written approval of the Board of Directors.

- (d) <u>Number of Occupants Allowed.</u> No more than two (2) Occupants per bedroom are permitted in a Single-Family Home or Townhome at any time, as such bedrooms are depicted on the original Survey and Floor Plans filed in the Cherokee County, Georgia records and/or approved by the applicable governmental agency. The Board, in its sole discretion, may establish rules permitting temporary exceptions to the limitation on the number of Occupants established herein for periodic overnight Guests. Upon written application and as required by the Fair Housing Acts, the Board of Directors shall grant variances to this restriction to comply with the Fair Housing Acts.
- (e) Leasing Restriction and Cap. For the express purpose of preserving the character of Woodstock Downtown Residential as a community of predominantly owner-occupied Lots and to comply with any eligibility requirements for financing in the secondary Mortgage market, the Leasing of Lots in Woodstock Downtown Residential is restricted in accordance with this Section 10.4. Except as provided in this Section 10.4, Leasing of dwellings and Lots is prohibited. All Leasing activity in the Community must strictly comply with the requirements of this Section 10.4. Leasing for Single-Family Homes and Townhomes shall be limited to not more than twenty-six (26) Single-Family Homes or Townhomes, in any combination ("Leasing Cap").

No Single-Family Home or Townhome is eligible for Leasing until after it is Occupied by the Owner for a period of one (1) year except upon issuance of a Hardship Leasing Permit.

- (f) <u>Exclusion of Condominium from Section 10.4.</u> Article 14 of the Condominium Declaration shall govern leasing related to Units comprising the Condominium, as defined therein, and shall set the leasing cap for Units. This Section 10.4 shall NOT be applicable to Units.
- (g) <u>Leasing Permits.</u> Owners desiring to Lease their Single-Family Homes or Townhomes may do so only if they have applied for and received from the Association either a "Leasing Permit" or a "Hardship Leasing Permit." The Association shall have the authority to establish conditions as to duration and use of both Leasing Permits and Hardship Leasing Permits for Single-Family Homes or Townhomes consistent with this Section 10.4.

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All Leasing Permits and Hardship Leasing Permits shall be valid only for a specific Owner and Single-Family Home or Townhome and shall not be transferrable between either Single-Family Homes or Townhomes or Owners (including a subsequent Owner of a Single-Family Home or Townhome where such permit was issued to the Owner's predecessor-in-title). Only once an Owner is issued a Leasing Permit or Hardship Permit may the Owner Lease his or her Single-Family Home or Townhome, provided such Leasing is in strict accordance with the terms of the permit and this Section 10.4.

An Owner's request for a Leasing Permit for his or her Single-Family Home or Townhome shall be approved if the total number of outstanding Leasing Permits is less than the Leasing Cap; provided, however, a Leasing Permit shall not be issued to any Owner if the Single-Family Home or Townhome is shown on the Association's books and records to be more than thirty (30) days past due in the payment of any assessments, fines, or charges owed to the Association or if the Owner or the Owner's Occupants or permittees are in violation of the Governing Documents.

The Association shall notify all Single-Family Home and Townhome Owners in Woodstock Downtown Residential in writing when the Leasing Cap is reached. Thereafter, the Association shall be required to create and maintain a Waiting List, as set forth in this Section 10.4(h) below, of Owners who have submitted a request for a Leasing Permit in the order in which the requests are received. If the total number of current, outstanding Leasing Permits is equal to or greater than twenty-six (26) of the Single-Family Homes and Townhomes set for the in the Leasing Cap, an Owner must wait to Lease his or her Single-Family Home or Townhome until a Leasing Permit becomes available.

(h) Waiting List Administration. Owners shall be placed on a Waiting List, as defined herein, to Lease their Single-Family Homes or Townhomes in the same priority as such requests were received by the Board of Directors. Upon the expiration of any lease agreement in Woodstock Downtown Residential, the Owner with the highest priority on the Waiting List shall then be notified of his or her entitlement to Lease his or her Single-Family Home or Townhome upon the conditions and terms hereof. If the Owner does not submit a proposed lease agreement for the Single-Family Home or Townhome to the Board within thirty (30) days from the Board's notice of the right to Lease, then the Owner with the next highest priority shall be permitted to Lease his or her Single-Family Home or Townhome. This process shall continue until the Waiting List has been exhausted. If a Single-Family Home or Townhome cannot be Leased after the exhaustion of all Owners on the Waiting List, then the Owner whose Leasing Permit expired causing the opening shall be permitted to re-lease and granted a new Leasing Permit.

An Owner who has been placed on the Waiting List for a Leasing Permit may not transfer or assign his, her or its position on the Waiting List. The Board may remove an Owner from the Waiting List if the Owner is more than thirty (30) days past due in the payment of any assessments, fines, or other charges owed to the Association or if the Owner or the Owner's Occupants or permittees are in violation of the Governing Documents or its rules and regulations.

(i) <u>Uniform Charge</u>. Pursuant to this Declaration, the Board of Directors shall have the power to impose a "Uniform Charge" on all Single-Family Homes or Townhomes in accordance with O.C.G.A. § 44-3-225(a), where the benefit received for the services and items is uniform and will be due for Single-Family Homes or Townhomes (1) issued a Leasing Permit or Hardship Leasing Permit; or (2) appearing on the Waiting List. The written notice of eligibility for a Leasing Permit given to an Owner on the Waiting List or given to an Owner requesting a Hardship Leasing Permit shall state the amount of the Uniform Charge then in effect for each category. No

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Leasing Permit or Hardship Leasing Permit will be issued unless the Uniform Charge is paid in full on or before the date the lease agreement is submitted. A Single-Family Home or Townhome shall be stricken from the Waiting List if the Uniform Charge is not paid within thirty (30) days of the due date.

Services and items which may be uniformly charged are those associated with the sale, Leasing and Occupancy of a Single-Family Home or Townhome, including but not limited to updating records, processing forms, issuing parking passes, providing copies of documents, providing information for and/or completing lender forms, move-in/move-out fees, maintaining a list of Leasing Permits and a Leasing Wait List, and a foreclosure administration fee. Unless otherwise provided by the Board, all Uniform Charges must be paid before the Association is required to provide the service or item. The Board shall also have the authority to impose a reasonable security/damage deposit when an activity of an Owner or Occupant could cause damage to any Common Area or any portion of any Single-Family Home or Townhome which is the maintenance responsibility of the Association. The Board shall include with the notice of each annual meeting a list of uniform services and items, the amount of the Uniform Charges, and the due date for payments that will be applicable for the upcoming year.

The Board of Directors shall be authorized to assign to a community association manager the right to collect a Uniform Charge directly from an Owner when the item or service is performed by a community association manager and is not included in the contract of services paid by the Association.

The Uniform Charge shall be imposed on a calendar year basis, with the amount due prorated for the Leasing Permits issued during a year or for Single-Family Homes or Townhomes added to the Waiting List during a year. The Uniform Charges imposed in this Section are non-refundable in whole or in part.

- (j) <u>Term of Leasing Permits</u>. Leasing Permits shall be effective for no more than five (5) years and shall automatically expire at the end of five (5) years from the date of issuance. When a Leasing Permit expires, the Owner may request a new Leasing Permit if the Leasing Cap is not met, or the Owner may apply for a Hardship Leasing Permit pursuant to the provisions in this Section 10.4. If a Leasing Permit is not available or the Hardship Leasing Permit is denied, then the Owner may no longer Lease and will be placed at the end of the Waiting List.
- (k) <u>Hardship Leasing.</u> If the inability to Lease will result in an undue hardship to an Owner, such Owner may apply to the Board of Directors for a Hardship Leasing Permit. Such a permit, upon its issuance, shall allow an Owner to Lease his, her or its Single-Family Home or Townhome provided that such Leasing is in accordance with the terms of the Hardship Leasing Permit and this Declaration.

The Board of Directors shall have the authority to issue or deny requests for Hardship Leasing Permits in its discretion after considering the following factors: (i) the nature, degree, and likely duration of the hardship; (ii) the harm, if any, which will result to the Community if the Hardship Leasing Permit is approved; (iii) the Owner's ability to cure the hardship; (iv) the Owner's involvement in causing the hardship; and (v) whether previous Hardship Leasing Permits have been issued to the Owner.

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A "hardship" as described herein may include, but not be limited to, the following examples: (i) an Owner must relocate his or her residence more than 50 miles outside of the City of Woodstock, Georgia, and cannot, within one hundred twenty (120) days from the date that the Single-Family Home or Townhome was placed on the market, sell the Single-Family Home or Townhome except at a price below the current appraised market value, after having made reasonable efforts to do so; (ii) where the Owner dies and the Single-Family Home or Townhome is being administered by his or her estate; (iii) the Owner is deployed by the United States Military for active duty and intends to return to the reside in the Single-Family Home or Townhome following his or her tour of duty; (iv) the Owner takes a temporary leave of absence, or otherwise temporarily relocates, for a period of one (1) year or less, outside of the City of Woodstock, Georgia, or the Atlanta metropolitan area and intends to return to reside in the Single-Family Home or Townhome. To be considered for a hardship under the first example listed in this Section, an Owner must submit an appraisal of the Single-Family Home or Townhome from a professional real estate appraiser, licensed by the Georgia Real Estate Commission & Appraisers Board, dated within thirty (30) days of the date of the Owner's hardship application.

The Board of Directors shall have the authority to establish conditions as to the application for, duration and use of Hardship Leasing Permits consistent with this Section 10.4. Hardship Leasing Permits shall not be transferable between either Single-Family Homes or Townhomes, or Owners. Hardship Leasing Permits shall be valid for a term not to exceed one (1) year and shall automatically expire at the conclusion of such one-year term. At the expiration of a Hardship Leasing Permit's one year term, the Owner may apply for an additional Hardship Leasing Permit if the circumstances warrant. 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.

Notwithstanding anything to the contrary herein, any Owner who owes the Association any delinquent assessments, fines, or other charges shall be ineligible to receive a Hardship Permit.

(l) Revocation of Permits. Leasing Permits and Hardship Leasing Permits shall be automatically revoked upon: (1) the sale, transfer or conveyance of ownership or record title interest of the Single-Family Home or Townhome to a third party (excluding sales or transfers to an Owner's legal spouse); (2) the failure of an Owner to have a written Lease for the Single-Family Home or Townhome (entered into in compliance with the terms of this Declaration and a complete executed copy given to the Association) and a bona fide Lessee Occupying the Single-Family Home or Townhome as his or her primary residence for ninety (90) consecutive days at any time after the issuance of such permit; (3) the Occupancy of the Single-Family Home or Townhome by the Owner; (4) the occurrence of the date referenced in a written notification by the Owner to the Board of Directors that the Owner will, as of said date, no longer need the Leasing Permit or Hardship Leasing Permit; or (5) expiration of the term of the Leasing Permit as set forth in Section 10.4(j).

The Board shall also have the right, but not the obligation, in its discretion, to revoke an Owner's Leasing Permit or Hardship Leasing Permit upon the following occurrences: (i) when an Owner fails to pay all delinquent assessments, fines, or other charges, including any Uniform Charge, owed to the Association within ten (10) days after the Association sends a written notice to the Owner stating that the Owner is more than thirty (30) days delinquent and that the Leasing Permit or Hardship Leasing Permit shall be revoked unless payment is received within ten (10)

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days after the Association sends the written notice; (ii) when an Owner fails to provide a Local Contact Person and/or Local Contact Person Information, as required in this Section 10.4, within ten (10) days after the Association sends a written notice to the Owner stating that the Owner has failed to comply and provide such information and that the Leasing Permit or Hardship Leasing Permit shall be revoked unless the Owner complies and provides the required information showing compliance within ten (10) days after the Association sends the written notice; or (iii) if the Owner or the Owner's Occupants or permittees violate the Governing Documents or its rules and regulations in a non-monetary manner (this shall specifically include the failure of the Owner's Local Contact Person to comply with the criteria set forth hereinbelow; provided, however, the Board shall first provide written notice to the Owner and provide the Owner with a right to request a hearing by providing a written request for a hearing before the Board within ten (10) days of the Board's sending of its written notice of intention to revoke the Owner's Leasing Permit or Hardship Leasing Permit.) The Leasing Permit or Hardship Leasing Permit shall be revoked for such nonmonetary violation if the Board so determines after a hearing, or upon the last day of the Owner's right to request a hearing if the Owner fails to request a hearing.

A Hardship Leasing Permit shall be revoked automatically if, during the term of such permit, the Owner is approved for and receives a Leasing Permit. An Owner may apply for an additional Hardship Leasing Permit at the expiration or revocation of a previous one.

(m) Short-Term Occupancy Prohibited.

(i) General. No Single-Family Home or Townhome or any part thereof shall be Occupied or used for transient purposes. For purposes hereof, transient purposes shall be defined as "any Occupancy of a Single-Family Home or Townhome by any Person other than an Authorized Occupant or Authorized Corporate Occupant for a period of less than thirty (30) consecutive days, except as expressly permitted herein for Guests." For purposes of clarification, the Occupancy of a Single-Family Home or Townhome by any Person for any period of time arranged through use of a Rental Online Marketplace is considered transient purposes and is prohibited.

In addition to all other enforcement remedies provided under this Declaration and applicable law, the enforcement actions available to the Board for violations of this Section 10.4(m) include but are not limited to: (1) the levying of daily fines against a violating Owner, Occupant, and/or Single-Family Home or Townhome in an amount up to the greater of (i) the highest nightly rate at which such Single-Family Home or Townhome is offered for Occupancy or (ii) Five Hundred Dollars (\$500.00) per day that the Single-Family Home or Townhome is Occupied in violation of this subsection; and/or (2) the filing of a lawsuit to enjoin the unauthorized Occupancy and require removal of any unauthorized Occupants. All costs incurred by the Association in any such enforcement action, including the Association's reasonable attorney fees actually incurred, shall be a Specific Assessment against the Owner and a lien against the Owner's Single-Family Home or Townhome.

(ii) <u>Solicitation of Short-Term Occupancy Violations</u>. It is a violation of this Section 10.4m) for any Single-Family Home or Townhome be advertised, listed, or otherwise offered on a Rental Online Marketplace as available for Occupancy. If this occurs, the Owner of such Single-Family Home or Townhome shall be subject to fines levied by the Board in an amount up to the greater of: (i) the highest nightly rate at which such Single-Family Home or Townhome is advertised, offered or listed for Occupancy that would violate this subsection; or (ii) Five Hundred Dollars (\$500.00) per day for each day that the Single-Family Home or Townhome and/or

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its dwelling is advertised, offered, or listed for Occupancy that would violate this subsection. Any such fines levied hereunder shall be the personal obligation of the Owner to pay and shall constitute a lien against the Lot until paid.

(iii) <u>Applicability of Fine Amounts</u>. The limitation on daily fine amounts stated herein shall apply only to violations of this Section 10.4(m) and shall not operate as a limitation on fines for any other violations of this Section 10 or this Declaration.

(n) General Leasing Provisions.

- Notice. All lease agreements shall be in writing and in a form approved (i) by the Board of Directors prior to the effective date of the lease agreement. At least seven (7) days before entering into a lease agreement, the Owner shall provide the Board with: (1) a copy of the proposed lease agreement for the Board to review to insure compliance with the Governing Documents and its rules and regulations; (2) the names, phone numbers, e-mail addresses, work locations and work phone numbers of the proposed Lessees and all other Occupants of the Single-Family Home or Townhome; (3) the Owner's primary residence address and phone number, e-mail address, work location and work phone number; and (4) the name and contact information of the Local Contact Person, if such has not already been provided; (5) complete vehicle registration for any vehicles to be brought into the Community by the Lessees; and (6) such other information required by the Board. The Owner must keep the Board of Directors informed in writing of the Owner's current mailing and e-mail address for notice at all times when such Owner's Single-Family Home or Townhome is being Leased. Nothing herein gives the Board of Directors the right to approve or disapprove a proposed Lessee. Within ten (10) days after executing a lease agreement for a Single-Family Home or Townhome, the Owner shall provide the Board of Directors with a copy of the executed lease agreement and any changes to the information required by this subsection.
- (ii) <u>Local Contact Person</u>. As a condition of the issuance of a Leasing Permit or Hardship Leasing Permit hereunder, each Owner to whom a such permit is issued shall designate a local contact person who has access and authority to assume management of the Leased Single-Family Home or Townhome and take remedial measures while the Single-Family Home or Townhome is being Leased (the "Local Contact Person"). Such Owner shall provide to the Board of Directors the Local Contact Person's name, e-mail address, phone number and physical address (the "Local Contact Person Information") within thirty (30) days of issuance of a Leasing Permit or Hardship Leasing Permit to the Owner. The Owner must inform the Board in writing of any change to the Local Contact Person or Local Contact Person Information at least seven (7) days prior to the change taking effect.

The Local Contact Person must meet all of the following requirements: (A) The Local Contact Person may not be a Lessee or Occupant of the Leased Single-Family Home or Townhome for which they are serving as the Local Contact Person; (B) The Local Contact Person must be at least twenty-one (21) years of age; (C) There shall only be one (1) designated Local Contact Person per Leased Single-Family Home or Townhome at any given time; (D) The Local Contact Person must maintain a primary business or home address within thirty (30) miles of the Single-Family Home or Townhome; and (E) The Local Contact Person must be a natural person. So long as the foregoing requirements are complied with, an Owner may designate himself or herself as the Local Contact Person.

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The Local Contact Person shall be required to respond to a phone call or e-mail from a member of the Board of Directors, the Association's managing agent, or any Person acting at the direction of the Board within twelve (12) hours of such phone call or e-mail. Within twentyfour (24) hours of being requested to do so by the Board, the Association's managing agent, or any Person acting at the direction of the Board, the Local Contact Person shall physically appear at the Single-Family Home or Townhome to address any non-emergency violation of the Governing Documents or its rules and regulations. The Local Contact Person shall physically appear at the Single-Family Home or Townhome within one (1) hour after being notified by the Board of Directors, the Association's managing agent, or any Person acting at the direction of the Board of any disturbance, complaint or violation of the Governing Documents or its rules and regulations requiring, in the Board's discretion, the immediate remedy or abatement regarding the condition, operation, or conduct of Occupants of the Leased Single-Family Home or Townhome. The Board of Directors may, in its discretion, publish or otherwise provide the Local Contact Person and Local Contact Person Information to other members and residents in the Community, as well as law enforcement and government officials, so that they may contact the Local Contact Person directly concerning the Single-Family Home or Townhome and its Occupants.

Failure to appoint a Local Contact Person, provide Local Contact Person Information and/or failure of the Local Contact Person to comply with the requirements set forth in this subsection shall be grounds for revocation of the Leasing Permit or Hardship Leasing Permit.

(iii) Required Terms of Lease. Single-Family Homes or Townhomes may be Leased only in their entirety; no rooms or fractions of Single-Family Home or Townhome may be Leased without prior written approval of the Board of Directors. There shall be no subleasing of Single-Family Homes or Townhomes or assignment of lease agreements without prior written approval from the Board. All lease agreements must be for a term of not less than one (1) year and no more than two (2) years, except with prior written approval of the Board; however, in no circumstances will any Lease or rental of a Single-Family Home or Townhome for a period less than thirty (30) days be approved by the Board of Directors. Automatic renewals and month-to-month extensions of lease agreements are not permitted without prior written Board approval.

All lease agreements for a Single-Family Home or Townhome shall include an acknowledgement by the Lessee that he, she, or it has received and reviewed the Governing Documents and a covenant by the Lessee to comply with the terms of the Governing Documents and its rules and regulations. Any lease agreement for a Single-Family Home or Townhome shall also be required to contain or incorporate by reference the terms set forth in this Section 10.4 of the Declaration. If such language is not expressly contained or incorporated by reference therein, then such language shall be incorporated into the lease agreement by the existence of this covenant, and the Lessee, by Occupancy of the Single-Family Home or Townhome, agrees to the applicability of this covenant and incorporation of the above-referenced language into the lease agreement. The Owner must provide the Lessee copies of the Governing Documents and its rules and regulations.

(iv) <u>Mandatory Lease Provisions.</u> Regardless of whether or not a lease agreement was approved by the Board of Directors and regardless of whether or not the Owner Leasing is authorized by the Board, any lease agreement for a Single-Family Home or Townhome shall be required to contain or incorporate by reference the terms set forth in this subsection below.

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If such language is not expressly contained or incorporated by reference therein, then such language shall be incorporated into the lease agreement and each Lessee of a Single-Family Home or Townhome, by the existence of this covenant and Occupancy of the Single-Family Home or Townhome, agrees to the applicability of this covenant and incorporation of the following language into the lease agreement:

Compliance with Association's Governing Documents and (A) Rules and Regulations. All terms defined in this Amendment and the Declaration are incorporated into each lease agreement for every Single-Family Home or Townhome being Leased. All Lessees and Occupants shall comply with all provisions of the Governing Documents and its rules and regulations and shall control the conduct of all other Occupants and Guests of the Occupied Single-Family Home or Townhome to ensure such compliance. The Owner shall cause all Occupants of his, her or its Single-Family Home or Townhome to comply with the Governing Documents and the rules and regulations adopted pursuant thereto and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Single-Family Home or Townhome are fully liable and may be sanctioned for any such violation. If the Lessee, or a Person living with the Lessee, or a guest of the Lessee violates the Governing Documents or a rule or regulation for which a fine is imposed, notice of the violation shall be given to the Owner or the Lessee, and such fine may be assessed against either the Owner or Lessee, at the Board's option. If the Board determines to first assess the fine to the Lessee, and the fine is not paid by the Lessee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association of the Lessee's failure to pay the fine.

If a Single-Family Home or Townhome is Leased or Occupied in violation of the Governing Documents and its rules and regulations, or if the Owner, Lessee, any Occupant, invitee, or any Guest violates same, such violation shall be deemed to be a default under the terms of any Lease or Occupancy agreement for the Single-Family Home or Townhome and the Association may require the Owner to evict the Occupants. In addition to all other remedies permitted by this Amendment and the Declaration, such default authorizes the Owner and/or the Association, as the Owner's delegate and attorney-in-fact, to terminate the Lease and/or Occupancy and to evict all Occupants, without liability, in accordance with Georgia law. In any such eviction action by the Association, the Association may terminate the Occupancy rights upon fifteen (15) days' notice, notwithstanding any notice requirement in the Lease or Occupancy terms. Once the Association invokes its right to terminate the Lease or Occupancy and evict the Occupant(s), the Owner no longer has the right to extend or revive the terminated Lease or Occupancy in any way.

- (B) **Use of Recreational Facilities**. The Owner transfers and assigns to the Lessee, for the term of the lease agreement, all rights and privileges the Owner has to use the Common Area recreational facilities, amenities, and all other Association Common Area.
- (C) Liability for Assessments. When an Owner who is Leasing his, her or its Single-Family Home or Townhome fails to pay any annual, Special, or Specific assessment or any other charge due to the Association 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 to the Association. Upon request by the Board, the Owner's Lessee shall pay to the Association all unpaid annual, Special, and/or Specific assessments and other charges payable during and prior to the term of

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the lease agreement and any other period of Occupancy by Lessee. However, Lessee shall not be required to make such payments to the Association in excess of or prior to the due dates for monthly rental payments unpaid at the time of the Board's request. All such payments made by Lessee shall reduce, by the same amount, Lessee's obligation to make monthly rental payments to the Owner lessor. If Lessee fails to comply with the Board's request to pay assessments or other charges, Lessee shall pay and be obligated to the Association for all amounts authorized under the Declaration as if Lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which the Owner would otherwise be responsible.

- Occupied in violations and Enforcement. If a Single-Family Home or Townhome is Leased or Occupied in violation of this Section 10.4 or other provisions of the Governing Documents or its rules and regulations, including failure to obtain a Leasing Permit or Hardship Leasing Permit, or if the Owner, Occupant, Lessee, invitee, permittee, or Guest violates the Governing Documents or its rules and regulations, such violation is deemed to be a default under the terms of any lease agreement or Occupancy of the Single-Family Home or Townhome. In addition to all other remedies permitted by this Declaration, such default authorizes the Owner and/or the Association, as the Owner's delegate and attorney-in-fact, to terminate the lease agreement or Occupancy and to evict all Lessees and Occupants on behalf and for the benefit of the Owner, without liability, in accordance with Georgia law. The Association also may require the Owner to evict the Lessees and Occupants. Any costs and expenses incurred by the Association in enforcing any of the terms of this Section 10.4 or the Governing Documents, including but not limited to reasonable attorneys' fees actually incurred, shall be specifically assessed against the Lot and shall be the personal obligation of the Owner and a lien against the Lot.
- Applicability. Those Owners who obtained title to their Single-Family Home or Townhome by recorded instrument, such instrument recorded prior to Effective Date of this Amendment, and who, on the Effective Date were Leasing their Single-Family Homes or Townhomes, as defined herein, may continue to Lease their Single-Family Homes or Townhomes in accordance with the terms of the Declaration as it existed prior to the Effective Date; provided, however, that upon the termination, extension, renewal or modification of such Lease after the Effective Date, which shall include but not be limited to any term extension or renewal, including any monthly or month-to-month extensions or renewals, such Owner shall be entitled to continue to Lease the Single-Family Home or Townhome subject to the provisions of this Section 10.4, notwithstanding the Leasing Cap and five (5) year Leasing Permit term and unless otherwise provided by the Act. However, upon any sale, transfer or other conveyance of the Single-Family Home or Townhome, any purchaser, transferee, or any other grantee thereof shall be subject to the provisions of this Section 10.4 in its entirety as provided by the Act. Notwithstanding anything in this Section 10.4 to the contrary, only those Owners who were Leasing their Single-Family Home or Townhome as of the Effective Date of this Amendment and who, within sixty (60) days of the Effective Date, provide to the Board a copy of the Lease in existence on the Effective Date and receive written confirmation from the Board that the Board acknowledges the Single-Family Home or Townhome is Leasing as of the Effective Date, shall be considered to be Owners who are Leasing their Single-Family Homes or Townhomes as of the Effective Date. Otherwise, all Owners who were not Leasing their Single-Family Homes or Townhomes on the Effective Date of this Amendment are subject to the provisions of this Section 10.4 in its entirety.

Notwithstanding anything herein to the contrary, all Single-Family Homes or Townhomes Leased shall count towards the Leasing Cap, excluding those issued a Hardship Leasing Permit. All Owners, including those excepted or excluded from the Leasing Cap, shall be bound to all other provisions of this Section 10.4, including the Short-Term Occupancy Prohibition.

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This Section 10.4 shall not apply to any Leasing transaction entered into by the Association or the holder of any first Mortgage on a Single-Family Home or Townhome who becomes the Owner of a Single-Family Home or Townhome through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage. However, any such holder of a first Mortgage who Leases a Single-Family Home or Townhome must still provide the name, address, and telephone number of the Person to whom the Single-Family Home or Townhome is being Leased. Such holder of a first Mortgage shall be permitted to Lease a Single-Family Home or Townhome without first obtaining a Leasing Permit in accordance with this Section 10.4 and any Single-Family Home or Townhome so Leased shall not be considered Leasing in determining the Leasing Cap pursuant to this Section 10.4.

(q) <u>Use of Common Area.</u> By the execution and submission to the Association of the lease agreement of any Single-Family Home or Townhome and by Leasing the Single-Family Home or Townhome, the Owner of such Single-Family Home or Townhome hereby acknowledges the transfer and assignment to the Lessee, for the term of the lease agreement, any and all rights and privileges to use of the Common Area recreational facilities and all other Association Common Area.

4.

The Bylaws shall be amended by correcting a scrivener's error in the numbering of the Article 6. Article 6 labeled "Miscellaneous," beginning on page 11 of the Bylaws, shall be relabeled as "Article 6. Miscellaneous." Correspondingly, the Sections of Article 6 shall be renumbered starting with the first Section as 6.1 and ending with the last section, Section 6.6.

5.

Except as stated herein, the Declaration and Bylaws shall remain unchanged.

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IN WITNESS WHEREOF, the undersigned officers of Woodstock Downtown Residential Association, Inc. hereby certify that this Amendment to the Declaration and Bylaws was duly adopted and lawfully obtained by the required sixty-seven percent (67%) approval of Members pursuant to Article 14, Section 14.2(c) of the Declaration and Article 5, Section 5.9(c) of the original Bylaws, now known as Article 6, Section 6.6(c) of the Bylaws, with any required notices properly given.

This 17th day of JANNIERY, 2023.

WOODSTOCK

ASSOCIATION AND

DOWNTOWN

RESIDENTIAL

By:

President, Charles F. Noll Jr.

Attest:

Secretary Donathan Gut

__(Seal)

(Seal)

[CORPORATE SEAL]

Sworn to and subscribed to before

e this May of 120

[NOTARY SEAL]

EXPIRES CEORGIA

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