

**AMENDMENT TO DECLARATION OF
PROTECTIVE COVENANTS FOR WYNGATE POA**

This Amendment to Declaration of Protective Covenants for Wyngate (the "Amendment") is made this _____ day of _____, 2015 by Wyngate Community Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, Wyngate is a residential subdivision located in Cherokee County, Georgia (the "Community"), created pursuant to that certain Declaration of Protective Covenants for Wyngate, recorded on October 10, 1988, in Deed Book 744, Page 600, et seq., Cherokee County, Georgia records; as amended by that certain Amendment to the Protective Covenants for Wyngate, recorded on May 9, 1990, in Deed Book 868, Page 85, et seq., Cherokee County, Georgia records; as amended by that certain Amendment to the Protective Covenants for Wyngate, recorded on March 23, 1995, in Deed Book 2049, Page 281, et seq., Cherokee County, Georgia records; as amended by that certain Amendment to the Protective Covenants for Wyngate, recorded on October 10, 1995, in Deed Book 2204, Page 157, et seq., Cherokee County, Georgia records (hereinafter, together with all duly recorded amendments and supplements thereto, being collectively referred to as the "Declaration"); and

WHEREAS, pursuant to Article XII, Section 4 of the Declaration, the Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of two-thirds (2/3) of all Owners of the Lots, the consent of the Master Association and the consent of the Declarant, so long as Declarant has an option unilaterally to subject additional property to the Declaration; and

WHEREAS, the Association desires to amend the Declaration to adopt (1) new leasing restrictions, (2) a Capital Contribution Fee, and (3) a Foreclosure Fee, for the benefit of the Community; and

WHEREAS, this Amendment has been approved by the affirmative vote or written consent, or any combination thereof, of two-thirds (2/3) of all Owners of the Lots, as evidenced by the Certification of Approval attached hereto as Exhibit "A" and by this reference made a part hereof; and

WHEREAS, the Master Association has evidenced its consent to this Amendment by executing the written consent attached hereto as Exhibit "B" and by this reference made a part hereof.

WHEREAS, the Declarant's consent is not required, since Declarant's option to unilaterally subject additional property to the Declaration has expired;

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

1. Article IV of the Declaration is hereby amended by adding to the end of said Article IV a new Section 10, which shall read as follows:

Section 10. Capital Contribution Fee. Upon each and every transfer or conveyance of a Lot, the transferee or grantee becoming the Owner of the Lot shall be obligated to pay to the Association, in addition to all other assessments levied under this Declaration, simultaneously

upon such transfer or conveyance, a non-refundable assessment in an amount equal the then current annual assessment (hereinafter, the "Capital Contribution Fee"). The Capital Contribution Fee shall be collected and paid to the Association at the closing of each sale, transfer or conveyance. The Capital Contribution Fee shall constitute an assessment under this Declaration and shall be collected in the same manner provided in this Declaration for the collection of all other assessments. Notwithstanding the foregoing, the Capital Contribution Fee shall not be due from (i) any grantee who is the spouse or former spouse of the grantor; (ii) any grantee to whom a Lot is transferred by will or under the laws of intestacy; (iii) any grantee to whom a Lot is transferred as a gift, that is, gratuitously and without legal and valuable consideration; and (iv) any Person who takes title to a Lot through foreclosure of any first Mortgage or any secondary purchase money Mortgage, provided that neither the grantee or any successor grantee of the Mortgage is the seller of the Lot.

2. Article IV of the Declaration is hereby amended by adding to the end of said Article IV a new Section 11, which shall read as follows:

Section 11. Foreclosure Administration Fee. It is recognized that foreclosures of Mortgages of Lots create substantial administrative costs and other burdens on the Association, including, but not limited to, having to review legal periodicals to monitor and determine if and when foreclosure on a Lot occurs, conducting title searches in the Cherokee County, Georgia records to determine the names of the purchaser(s) at foreclosure sales, researching and obtaining contact information for contacting the foreclosure purchasers/owners regarding foreclosure-purchaser responsibilities and assessment obligations and updating Association records on multiple occasions to deal with just a single Lot. In addition to annual assessments, special assessments, and other charges provided for in this Declaration, any Person who acquires a Lot through a foreclosure of a Mortgage on such Lot or by deed in lieu of foreclosure shall be required to pay to the Association a fee equal to the then current annual assessment immediately upon the recordation of the foreclosure deed or deed in lieu of foreclosure in the Cherokee County, Georgia records (hereinafter, the "Foreclosure Administration Fee"). The Foreclosure Administration Fee shall constitute a specific assessment under this Declaration and shall be collected in the same manner provided in this Declaration for the collection of other assessments.

3. Article VI of the Declaration is amended by adding to the end of said Article VI a new Section 23, which shall read as follows:

Section 23. Leasing. In order to protect the equity of the individual Owners in the Community, to carry out the purpose for which the Community was formed by preserving the character of the Community as a homogenous residential community of predominantly owner-occupied homes and by preventing the Community from assuming the character of a renter-occupied subdivision, and to comply with the eligibility requirements for financing in the secondary mortgage market insofar as such criteria provide that the project be substantially owner-occupied, leasing of Lots shall be governed by the restrictions imposed by this Section. No leasing of Lots is permitted except as provided herein.

(a) Definition of Leasing. "Leasing" means the regular, exclusive occupancy of a Lot by any person(s) other than: (1) the Owner or a parent, child or spouse of an Owner, which relationship shall be demonstrated to the Board on request by providing a copy of a birth certificate or similar document satisfactory to the Board; or (2) a roommate of any of the

above who also occupies the Lot as his or her primary residence. A Lot may be considered to be leased hereunder even if no rent is paid to the Owner. Lease-purchase agreements or lease with an option to purchase agreements are also considered a lease hereunder, unless otherwise permitted by the Board of Directors.

(b) Authorized Leasing. Owners may lease their Lots only if they have obtained either a Leasing Permit or a Hardship Leasing Permit from the Association. The Leasing Permit is not intended as a way for the Association to approve or disapprove a particular tenant or occupant, but a method to ensure that all leasing of Lots is strictly in compliance with the conditions and requirements specified in this Section. These conditions and requirements are of utmost importance in maintaining the high quality of the Community.

(c) Leasing Permits.

(i) Grandfathered Owners. Those Owners who are lawfully leasing their Lots in accordance with the Declaration on the date this Amendment is recorded in the Cherokee County, Georgia land records (the "Effective Date"), comply with the terms of this Section, and, within 30 days of the Effective Date, provide the Board with a copy of their lease agreement in effect on the Effective Date, will be issued a Leasing Permit ("Grandfathered Owners"). The Leasing Permits held by Grandfathered Owners shall count towards the Leasing Cap, as defined below, and shall expire or be revoked pursuant to Section 23(e) hereinbelow.

(ii) Other Owners. If any other Owner requests a Leasing Permit and complies with the conditions and requirements of this Section, the Board of Directors shall issue a Leasing Permit to the Owner, if the total number of outstanding Leasing Permits is less than five percent (5%) of the total Lots within the Community (the "Leasing Cap"). In addition, to be eligible for a Leasing Permit, such Owner must have occupied the Lot as his or her primary and principal residence for a total of at least two (2) full years prior to the Owner's request for a Leasing Permit. Owners who have been denied a Leasing Permit because the Leasing Cap is satisfied shall be placed on a waiting list to be issued such a permit, if they so desire, when the above conditions have been satisfied. 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. The Board may revoke or refuse to issue any Leasing Permit or Hardship Leasing Permit if the Owner is shown on the Association's books and records to be delinquent in any assessment or charge owed to the Association or if the Owner is in violation of the Declaration, Bylaws or rules and regulations of the Association (the "Governing Documents"). Leasing Permits shall be valid only as to a specific Owner and Lot and shall not be transferable between either Owners or Lots.

(d) Hardship Leasing Permits. If an Owner wishes to lease and does not satisfy the conditions and requirements for leasing under this Section, and the inability to lease will result in an undue hardship to the Owner, then the Owner may apply to the Board for a Hardship Leasing Permit, for a term not to exceed one year or as otherwise approved by the Board. The Board has sole discretion whether to grant a Hardship Leasing Permit, and the existence of a hardship does not guarantee that an Owner is entitled to or will receive a Hardship Leasing Permit; such Permit is discretionary.

(e) Expiration and Revocation of Permits. Leasing Permits and Hardship Leasing

Permits are automatically revoked upon the sale or transfer of the Lot to a third party (excluding sales or transfers to an Owner's spouse). Leasing Permits also expire if (i) the Owner moves back into the Lot, (ii) the Lot is not leased as provided herein within 120 days of the issuance of the Leasing Permit, or (iii) after the initial lease thereof, the Lot at any time thereafter is not leased in a bona fide, arm's length transaction for a period of 120 consecutive days.

The Board also may revoke any Leasing Permit or Hardship Leasing Permit if the Owner is shown on the Association's books and records to be past due in any assessment or charge owed to the Association or if the Owner and/or the occupant or any guest of the Owner or occupant violates the Governing Documents or any applicable laws or ordinances.

(f) General Leasing Provisions. Except for roommates of an Owner as provided above, Lots may be leased only in their entirety pursuant to a single lease. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. There shall be no subleasing of Lots or assignment of leases without prior written Board approval. All leases must be for an initial term of one (1) year, except with written Board approval.

At least seven (7) days before entering into a lease of any Lot, the Owner shall provide the Board with notice of the Owner's intention to lease his or her Lot. The notice shall include: (1) a copy of the proposed lease; (2) the names, phone numbers, email addresses, work locations and work phone numbers of all of the proposed occupants of the Lot; (3) the Owner's Lot address, and the Owner's phone number, email address, work location, work phone number and physical street address to be occupied by the Owner when the Lot is leased; and (4) such other information required by the Board.

The Owner of a leased Lot shall provide the Board with a copy of the executed lease within ten (10) days after executing a lease for the Lot and within ten (10) days of request by the Board during the lease term. If any of the information regarding the occupants required above, or other information regarding occupancy of the Lot, changes during the term of any leasing of the Lot, the Owner and occupants shall update and notify the Board in writing of such changes within 30 days of the date of such change.

The provisions of the Lease Terms Exhibit attached hereto as Exhibit 510 and incorporated herein by reference are incorporated into each lease of any Lot executed, modified, renewed or extended after the Effective Date of this Amendment, whether or not expressly stated therein, and into the terms of any tenancy or occupancy of a Lot even if no written lease or agreement exists between the Owner and the occupant. The Board may, by adoption of regulations, require that additional provisions be incorporated into the terms of any lease within the Community. If an Owner fails to provide the Association a copy of the lease and notice of leasing as provided herein, or otherwise leases a Lot in violation of this Section, the Association may fine the Owner an initial fine of \$250.00, plus additional daily fines for continued violation of these provisions. Owner agrees to be jointly and severally liable with Owner's tenants for payment of all fines and other charges which become due as a consequence of such tenant's activities, including, but not limited to, activities which violate provisions of the Association's governing documents.

4. Severability. Whenever possible, each provision of this Amendment shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this

Amendment to any person or any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this Amendment are declared to be severable.

5. In the event of any conflict or inconsistency between the provisions of this Amendment and the terms of the Declaration or Bylaws of the Association, the terms of this Amendment shall control. All capitalized words used in this Amendment and not defined in this Amendment shall have the meanings ascribed to such words in the Declaration. Except as amended herein, the terms and provisions in the Declaration shall remain in full force and effect. This Amendment shall be effective upon its filing for record in the public records of Cherokee County, Georgia and shall be binding upon and inure to the benefit of all Owners within Wyngate Subdivision and their respective successors-in-title.