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Filed and Recorded Jan-14-2005 08:44am
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Real Estate Transfer Tax \$0.00
Juanita Hicks
Clerk of Superior Court
Fulton County, Georgia

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3500 Lenox Road Atlanta, Georgia 30326 Attn: Ashley Miller Lanier

STATE OF GEORGIA COUNTY OF FULTON

Cross Reference: Deed Book 29520

Page 208

AMENDMENT TO THE DECLARATION OF CONDOMIMIUM FOR 1350 NORTH MORNINGSIDE CONDOMINIUM

WHEREAS, KPR, LLC, a Georgia limited liability company ("Declarant") filed a Declaration of Condominium for 1350 North Morningside Condominium ("Declaration") on September 28, 2000 in Deed Book 29520, Page 208 of the Fulton County, Georgia land records; and

WHEREAS, the Declaration is subject to the Georgia Condominium Act; and

WHEREAS, Article VIII, Section 8.03 of the Declaration provides that the provisions contained within the Declaration may be amended in accordance with the provision of the Georgia Condominium Act, specifically, Section 44-3-93 along with the approval of the Declarant so long as the Declarant owns any Unit primarily for the purpose of sale; and

WHERAS, Declarant does not own a Unit primarily for the purpose of sale, and therefore, its consent is not required; and

WHEREAS, Section 44-3-93 of the Georgia Condominium Act provides that the Condominium instruments shall be amended only by the agreement of unit owners of units to which two-thirds (2/3) of the votes in the Association pertain; and

WHEREAS, at least two-thirds (2/3) of the unit owners to which two-thirds of the Association vote pertain have consented to this amendment; and

NOW THEREFORE, the Declaration is hereby amended as follows:

1.

Article II, Section 2.07 of the Declaration is hereby amended to include a new subsection (c) and (d) thereto to provide the following:

(c) Failure to maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be the personal obligation of the Owner and a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

(d) Maintenance Standards and Interpretation. The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another term of the Board. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Paragraph. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

2.

Article IV of the Declaration is hereby amended to include a new Section 4.10 thereto to provide the following:

4.10 Capital Contribution Assessment Upon Transfer of Units. In addition to all other assessments, fees and charges provided for herein, the purchaser or grantee of every Unit shall be assessed and be subject to a non-refundable, non-prorated capital contribution assessment ("Capital Contribution Assessment") upon each and every conveyance or transfer of the Unit to any person other than to the spouse or heir of the Owner. The Capital Contribution Assessment shall be an amount equal to one/sixth (1/6) of the annual assessment applicable to such Unit at the time of such conveyance or transfer. The Board may increase the Capital Contribution Assessment

each year not more than ten (10%) percent above the prior year's Capital Contribution Assessment amount.

The Capital Contribution Assessment shall be due and payable by the purchaser or grantee at the time of conveyance or transfer of the Unit and shall be collected at the closing of each such conveyance or transfer. The Capital Contribution Assessment shall not constitute an advance payment of annual assessments. The Capital Contribution Assessment shall constitute a specific special assessment and continuing lien against such Unit, and a personal obligation of the Owner of such Unit, from the time it is due until it is paid in full and may be collected pursuant to Section 4.07 above and the Georgia Condominium Act.

3.

Article VI, Section 6.10 of the Declaration is hereby amended by deleting that Section in its entirety and replacing it thereto with the following:

6.10 LEASING. In order to protect the equity of the individual Unit Owners at 1350 North Morningside, and to carry out the purpose for which the Condominium was formed by preserving the character of the Condominium as a homogenous residential community of predominantly owner-occupied homes, leasing of Units shall be governed by the restrictions imposed by this Section. Except as provided herein, leasing of Units is prohibited.

(a) Definitions.

- (i) "Effective Date" means the date this Amendment is recorded in the Fulton County, Georgia land records.
- (ii) "Grandfathered Owner" means an Owner of a Unit who is lawfully leasing his or her Unit on Effective Date. Grandfathering shall apply only to the Unit owned by such Grandfathered Owner on the Effective Date. Grandfathering hereunder shall continue only until the earlier of: (1) the date the Grandfathered Owner conveys title to the Grandfathered Unit to any other person (other than the Owner's spouse), or (2) the date that all current occupants of the Grandfathered Owner's Unit vacate and cease to occupy the Unit. Upon either event, the Unit shall automatically lose grandfathering hereunder.
- (iii) "Grandfathered Unit" means the Unit owned by a Grandfathered Owner on the Effective Date hereof.
- (iv) "Leasing" means the regular, exclusive occupancy of a Unit by any person(s) other than: (1) the Owner or a parent, child or spouse of an Owner, or (2) a person who occupies the Unit with the Owner or parent, child or spouse of the Owner occupying the Unit as his or her primary residence.
- (b) <u>Leasing Permit and Restriction</u>. No Owner of a Unit may lease his or her Unit unless: (1) the Owner is a Grandfathered Owner, (2) the Owner is not a

Grandfathered Owner but has received a written leasing permit from the Board of Directors authorizing leasing, or (3) the Owner is not a Grandfathered Owner but has received a hardship leasing permit from the Board as provided below.

Non-Grandfathered Owners who want to lease their Units may do so only if they have applied for and received from the Board of Directors either a "leasing permit" or a "hardship leasing permit." Such a permit will allow an Owner to lease his or her Unit, provided that such leasing is in strict accordance with the terms of the permit and this Section. The Board of Directors shall have the authority to establish conditions as to the duration and use of such permits consistent with this Section. All leasing permits and hardship leasing permits shall be valid only as to a specific Owner and Unit and shall not be transferable between either Units or Owners (including a subsequent Owner of a Unit where a permit was issued to the Owner's predecessor in title).

An Owner's request for a leasing permit shall be approved if the number of current, outstanding permits issued plus Grandfathered Units is less than four (4) Units in 1350 North Morningside.

Leasing permits and hardship leasing permits are automatically revoked upon the happening of any of the following events: (1) the sale or transfer of the Unit to a third party (excluding sales or transfers to an Owner's spouse); or (2) the failure of an Owner to lease his or her Unit for one hundred twenty (120) consecutive days at any time after the issuance of a leasing permit.

If the number of current leasing permits issued and Grandfathered Units is more than four (4) Units, then no additional leasing permits shall be issued (except for hardship leasing permits) until that number falls below four (4). 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 permit, if they so desire, when such number falls below four (4). 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.

(c) <u>Hardship Leasing Permits</u>. If the failure to lease will result in an undue hardship to the Owner, then the Owner may seek to lease on a hardship basis by applying to the Board of Directors for a hardship leasing permit. The Board shall have the authority to issue or deny requests for hardship leasing permits in its discretion after considering the following factors: (1) the nature, degree, and likely duration of the hardship, (2) the harm, if any, which will result to the Condominium if the permit is approved, (3) the number of hardship leasing permits which have been issued to other Owners, (4) the Owner's ability to cure the hardship, and (5) whether previous hardship leasing permits have been issued to the Owner.

A "hardship" as described herein shall 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 (6) months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) an Owner dies and the Unit is being administered by his or her estate; or (3) an Owner takes a leave of absence or

temporarily relocates out of the metropolitan-Atlanta area and intends to return to reside in the Unit within one (1) year.

Hardship leasing permits shall be valid for a term not to exceed one (1) year. Owners may apply for additional hardship leasing permits at the expiration of a hardship leasing permit, if the circumstances warrant. Hardship leasing permits shall be automatically revoked if, during the term of the permit, the Owner is approved for and receives a leasing permit.

- (d) <u>Leasing Provisions</u>. When leasing is permitted under this Section, it shall be governed by the following provisions:
- (i) <u>Notice</u>. At least seven (7) days before entering into a lease, the Owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. If a lease is disapproved, the Board shall notify the Owner of the action to be taken to bring the lease in compliance with the Declaration and any rules and regulations adopted pursuant thereto.
- (ii) <u>General</u>. Units may be leased only in their entirety; no rooms or fractions of Units may be leased without prior written Board approval. 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 Units or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than one (1) year, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit. The Owner must provide the lessee copies of the Declaration, Bylaws, and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease.
- (iii) <u>Liability for Assessments; Compliance</u>. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:
 - (A) Compliance with Declaration, Bylaws, and Rules and Regulations. The Owner and lessee shall comply with all provisions of the Declaration, Bylaws and Association rules and shall control the conduct of all other occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all occupants of his or her Unit to comply with the Declaration, Bylaws and Association rules, and shall be responsible for all violations by such occupants, notwithstanding the fact that such

Occupants are fully liable and may be sanctioned for any such violation.

If a Unit is leased or occupied in violation of this Section or if the Owner, lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule or regulation, the Association's Board of Directors shall be authorized, in addition to all other available remedies, to levy fines against the lessee and/or the Owner, to suspend all voting and/or Common Element use privileges of the Owner, Occupants and unauthorized tenant(s) and to suspend all common services to the Unit paid for by the Association as a common expense, including water service to the Unit, subject to the provisions of this Declaration and the Bylaws.

If a Unit is leased or occupied in violation of this Section, the Association may require the Owner to evict the tenant. If the Owner, lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule or regulation, such violation is deemed to be a default under the terms of the lease and shall authorize the Owner or the Association, as more fully described herein, to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby 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 as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. Alternatively, the Association may require the Owner to evict the violating tenant. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall be an assessment and lien against the Unit.

<u>Use of Common Elements</u>. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements, including, but not limited to, the use of any and all recreational facilities.

(B) <u>Liability for Assessments</u>. When an Owner who is leasing his or her Unit fails to pay any annual or special 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 request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not 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 lessor. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Association 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 he or she would otherwise be responsible.

(e) <u>Applicability of this Section</u>. Notwithstanding the above, this Section shall not apply to any leasing transaction entered into by the Association, or by any first Mortgagee who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage. Such parties shall be permitted to lease a Unit without first obtaining a permit in accordance with this Section, and such Units shall not be considered as being leased in determining the maximum number of Units that may be leased in accordance with this Section.

4.

Article XI, Section 11.02 of the Declaration shall be amended by deleting the last sentence of that Section and replacing it thereto with the following:

In addition to the enforcement powers provided for herein, the Association may suspend an Owner's right to vote and/or to use the Common Elements for violation of any duty or limitation imposed under the Declaration, Bylaws or Association rules. However, nothing herein shall authorize the Association or the Board of Directors to deny ingress or egress to or from a Unit. In any enforcement action taken by the Association under this Section, to the maximum extent permissible, all costs incurred by the Association in abating a violation or otherwise taking action to enforce the Declaration, Bylaws or Association rules, including reasonable attorney's fees actually incurred, may be assessed against the violating Owner and/or Occupant pursuant to Article IV above.

IN WITNESS WHEREOF, the undersigned officers of 1350 North Morningside Condominium Association, Inc., hereby certify that this Amendment was approved in accordance with the Declaration and the Georgia Condominium Act.

This 27th of December 2004.

1350 NORTH MORNINGSIDE CONDOMINIUM ASSOCIATION, INC.

BV: O'WW.

Sworn to and subscribed

Before me this the

Votary Public

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Attest:

Secretary

[Seal]

OORDEN MUTGAÑ NOTARY PUBLIC DEKALB CCUN IY, GEORGIA MY COMMISSION EXPIRES MAY 28, 2006 Juanita Hicks
Clerk of Superior Court
fulton County, Georgia