

Apalachee Heritage Home Owners Association, Inc.

November 30, 2006

Dear Fellow Homeowners:

Over the past year, significant feedback was received by our Board around a general intolerance of homeowners that do not pay their assessments or fines resulting from unresolved violations of our Covenant. The Board has also received numerous passionate comments around stricter Covenant enforcement. To help address these issues and others relating to the operation of our association and Covenant enforcement, the Board has submitted our "Home Owners Association" to the "Georgia Property Owners' Association" (POA) Act.

To complete this action, the Board worked through our Association's legal counsel who advised the Board that the manner in which our "Declaration" is worded, allowed for submittal of our community to the Act without requiring a full membership vote. This amendment went into effect on November 13th, 2006 when the paperwork was recorded with the Gwinnett County land records. We have also been advised that we are not required to change our name as noted on the top of this mailing.

A copy of this amendment is included with this correspondence for your personal records. Please keep a copy of this amendment with your copy of the Covenants, Bylaw, and other important homeowner documents.

Many legal documents are cryptic and difficult to follow. The attached amendment only outlines our community's submittal to the POA Act and does not include specifics around benefits that the Act provides us. The following points are a general description of the benefits provided to our community as a POA.

Automatic Statutory Liens

As a community submitted to the POA, we will no longer need to file specific liens through Gwinnett County for unpaid assessments and other charges. This will allow the Association an easier process for collecting monies owed to it.

- As a POA, an automatic statutory lien will be placed against a delinquent homeowner's lot for any sums owed the association. The declaration itself will now serve as notice that a lien has been placed for unpaid assessments or other charges.
- Closing attorneys, title examiners, purchasers, or current owners will now be responsible for contacting the Association to obtain a current statement of any amounts owed to the Association prior to concluding a sale or refinance.
- If the Association is not contacted for a current statement and delinquent assessments or other charges are not paid to the Association from proceeds of the sale or refinance, the lien will not be released and will continue in effect.

Late Fees and Interest

The Association will be able to charge late fees, the greater of \$10.00 or ten percent (10%) of the amount due plus interest at a rate of ten percent (10%) per annum on unpaid assessments and charges.

Recovery of Attorney's Fees

The Association will be able to recover incurred costs associated with collecting delinquent assessments. This includes but is not limited to reasonable attorney's fees actually incurred.

Buyers and Sellers are Jointly and Severally Liable to Pay Assessments

Under the POA Act, both buyers and sellers are liable for all unpaid assessments. What this means is that when a property is sold, if the "automatic statutory lien" (see above) is not paid as part of the closing the new owner will be personally liable for those amounts owed prior to the closing.

Fines and Suspension of Privileges

The POA provides the Association with a statutory power to assess fines against Covenant violators and to suspend their rights to use the common property such as the pool, tennis courts, and walking trails.

Tenants are Obligated to Comply With The Governing Documents

The POA Act also clarifies that "tenants" as well as owners are responsible for complying with all provisions of the declaration of Covenants and Association's rules and regulations.

Perpetual Duration

Covenants are generally stipulated for twenty (20) year durations with automatic renewal unless the Association Votes otherwise by a two-thirds (2/3) majority of the homeowners. Under submittal to the POA Act, the Covenant declaration for the community will be afforded perpetual duration.

Several of the benefits outlined above were provided in the Declaration; however, the Act assists the Association by providing statutory authority to address these items.

Again, your feedback and interest in our community is greatly appreciated. It was instrumental in taking these steps to improve the manner in which our community and Association is managed.

Thanks in advance,
Apalachee Heritage Board of Directors