

(a) **Definitions.**

(i) **"Grandfathered Owner"** means an owner of a unit who lawfully owns his or her unit on the Effective Date. Grandfathering shall apply only to the unit owned by that Grandfathered Owner on the Effective Date. Grandfathering hereunder shall continue until the date the Grandfathered Owner conveys title to the Grandfathered Unit to any other person (other than the Owner's spouse). Upon conveyance of the unit, the unit shall automatically lose grandfathering hereunder.

(ii) **"Grandfathered Unit"** means the unit owned by a Grandfathered Owner on the Effective Date hereof.

(iii) **"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 an owner occupying the unit as his or her primary residence.

(iv) **"Effective Date"** means the date that this Amendment is recorded in the Cobb County, Georgia land records.

(b) **Leasing Permit and Restriction.** No owner of a unit may lease his or her unit unless: (1) the owner is a Grandfathered Owner, or (2) the owner is not a Grandfathered Owner but has received a hardship leasing permit from the Board as provided below.

(c) **Hardship Leasing Permits.** If the failure to lease will result in a hardship, 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 only as to a specific owner and unit and shall not be transferable to other units or owners (including a subsequent owner of a unit where a permit was issued to the owner's predecessor-in-title). Hardship leasing permits shall be valid for a term approved by the Board, 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 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); (2) the failure of an owner to lease his or her unit within ninety (90) days of the permit having been issued; or (3) the failure of an owner to have his or her unit leased for any consecutive ninety (90) day period thereafter.

(d) **Leasing Provisions.** Leasing which is authorized hereunder shall be governed by the following provisions:

(i) **Notice.** 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 that 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 Association rules.

(ii) **General.** Units may be leased only in their entirety; no rooms or fractions of units may be separately 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, By-Laws, and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; rather, the Board's approval shall be limited to the form of the proposed lease.

(iii) **Liability for Assessments; Compliance.** 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:

Compliance with Declaration, By-Laws, and Rules and Regulations. The owner and lessee shall comply with all provisions of the Declaration, By-Laws 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, By-Laws 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 Paragraph or if the owner, lessee, or a person living with the lessee, violates the Declaration, By-Laws, 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 and to suspend all voting and/or common elements use privileges of the owner, occupants and unauthorized tenant(s).

If a Unit is leased or occupied in violation of this Paragraph, the Association may require the owner to evict the tenant. If the owner, lessee, or a person living with the lessee, violates the Declaration, By-Laws, 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, By-Laws, 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.

(1) **Use of Common Elements.** 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.

(2) **Liability for Assessments.** 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) **Applicability of this Paragraph.** Notwithstanding the above, this Paragraph 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 Paragraph.

IN WITNESS WHEREOF, the undersigned officers of Valencia Hills Condominium Association, Inc., hereby certify that this Amendment was duly adopted by the requisite majority of the Association membership, with proper notices given.

This 18 day of January, 2006.

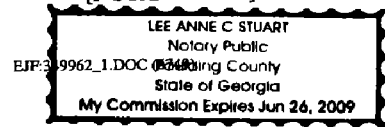
VALENCIA HILLS CONDOMINIUM
ASSOCIATION, INC.

Sworn to and subscribed to before
me this 18 day of January
2006.

[Signature]
Witness

[Signature]
Notary Public

[NOTARY SEAL]



By: [Signature] (Seal)
Treasurer

Attest: [Signature] (Seal)
Secretary
[CORPORATE SEAL]

Notarization validates
signature only,
not document content.