

**PROPOSED AMENDMENTS TO THE DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
THE PARKS AT SPRINGMILL**

Our Board of Directors of The Parks at Springmill Homeowners Association, Inc. (“Association”) recommends that our homeowners approve amendments to our Declaration of Covenants, Conditions and Restrictions. The proposed amendments below will adjust quorum requirements for meetings held for the purposes of approving assessment increases and special assessments, to address solar panels, to add rental restrictions, make updates to the enforcement provisions and resale assessments.

Right now according to our Declaration in Article XIV, for any amendment to our Declaration to be adopted, the owners of at least ninety-five percent (95%) of our lots must give their approval. However, the Indiana Homeowners Association Act dictates that no covenants can require in excess of seventy-five percent (75%) of the lots to approve an amendment. Therefore we must obtain approval from 75% of the Lots within the community to pass these amendments.

AMENDMENT #1: Quorum for Assessment Meetings:

The Board proposes that Article V, Section 5 be replaced to read as follows:

Section 5. Notice and Quorum. Written notice of any meeting of Members called for the purpose of taking any action authorized under Article V, Sections 3 or 4, shall be sent to all Members not less than ten (10) days nor more than six (60) days in advance of the meeting. At the opening of such meeting, the presence in person or by proxy of Members entitled to cast ten percent (10%) of the total votes of the membership shall constitute a quorum to conduct business except for approving special assessments, which would require 30% quorum. If the required quorum is not present another meeting may be called subject to the same notice requirement, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

AMENDMENT #2: SOLAR PANELS

The Board proposes that Article IX, Section 9 be replaced to read as follows:

Section 9. Solar Energy Systems. No solar energy systems shall be permitted or installed on any property or upon any Lot unless approved in advance by the Architectural Review Committee; provided that any application for solar energy systems shall be subject to rules and guidelines to be adopted by the Board and the Architectural Review Committee.

AMENDMENT #3: LEASING

The Board proposes that Article IX, Section 20 be replaced to read as follows:

Section 20. Rentals. Owner Occupancy Requirement. To maintain the congenial and residential character of The Parks at Springmill, for the protection and maintenance of property values by encouraging the maintenance, improvement and updating of the Lots within The Parks at Springmill community, and in an effort to limit purchasers from buying properties within The Parks at Springmill for the purpose of leasing or renting the properties in the subdivision, all homes in The Parks at Springmill development must be OWNER-OCCUPIED for a minimum of three (3) years from the date the Owner(s) takes title to a property within the Development, which means the titled Owner of the home (i.e. the name on the deed) must live in the home.

The term "Owner-Occupied" does not include the representatives, employees, agents or guests of a corporation, partnership, or other entity. In addition, titled Owner(s), or their agent or representative, cannot rent, lease, rent to own, or enter into any other form of agreement that would allow a non-Owner to use a home in The Parks at Springmill subdivision as their primary residence during this three (3) year period of required Owner-Occupancy. If any Owner enters into a lease agreement, rental agreement, lease to own agreement, or other form of agreement that would allow a non-owner to use a home in The Parks at Springmill subdivision as their primary residence during the Owner-Occupancy period, those agreements will be voidable in the sole discretion of the Association's Board of Directors.

The Board may consider a hardship exception to this three (3) year restriction if requested in writing by the titled Owner. A request for a hardship exception must state the reason(s) the hardship exception request, such as, but not limited to, temporary or permanent job transfer or relocation, military deployment, etc. The Board may request further information regarding a request and may ask the Owner to modify the terms of his request before making a final decision on whether to grant or deny the request. Once an Owner has submitted a request for a hardship exception to the Board, the Board has thirty (30) days from the date of receiving the request to make a ruling on the request. If the Board does not rule on the request within that time-period, then the request is automatically denied. A decision of whether to grant a hardship exception is strictly within the sole discretion of the Board; however, a hardship exception for short-term rentals of thirty (30) days or less, and room or partial home leases or rentals is strictly prohibited and will not be approved.

For Owners allowed to lease or rent their homes under the provisions of this covenant, all lease or rental agreements must rent the whole home (no room or partial home rentals) for a period of at least one (1) year without automatic renewal, must provide a copy of the Declaration to the resident and inform the resident that failure to comply with the covenants and restrictions in the Declaration is a default under the lease, and the Owner must provide the Association with a copy of the lease or rental agreement (amounts redacted) within seven (7) business days of signing the lease. Short-term rentals or short-term home stays of less than one (1) year, and room or partial home leases or rentals are strictly prohibited at any time. No lease shall provide, or be interpreted or construed to provide, for a release of the Owner from his or her responsibility to the Association and the other Owners for compliance with the provisions of the Governing Documents, or from the Owner's liability to the Association for payments of assessments or any other charges.

For the purposes of this Section 20, "**rented**" or "**leased**" (or any variation thereof, singular or plural), as used interchangeably herein, shall mean leased or rented or occupied, whether or not for compensation of any kind, by anyone other than an Owner of the Lot together with members of his or her household or temporary guest. However, the "**Waiting Period**" set forth herein will not apply to any situation where members of the Owner's family occupy a home (persons related by blood, marriage, adoption, foster care, or guardianship). This restriction is not intended to prevent residents whose primary residence is in The Parks at Springmill, but who are not the titled Owner of their home as the result of estate planning, such as placing their home in a trust or in a relative's name, reserving a life estate, or Medicaid planning, from living in The Parks at Springmill. In this situation, the residents and Owner will be considered in compliance with this covenant so long as the residents living in the home are a member of the Owners family or household, do not pay rent or other form of

compensation to the Owner in return for living in the home, and the residents and Owner also follows all remaining restrictions in this provision.

This Owner-Occupancy restriction takes effect on the date this covenant is recorded with the Hamilton County Recorder's Office. This Owner-Occupancy restriction will apply to all Owners taking deeded title to a property in The Parks at Springmill after this covenant is recorded. Any Owner taking deeded title to a property within The Parks at Springmill before this covenant is recorded will be subject to the three (3) year Owner-Occupancy restriction unless the lease agreement is provided to the association within 30 calendar days after the covenant is recorded. This provision also applies to institutional mortgagees of any home in The Parks at Springmill which come into possession of the home by reason of foreclosure, judicial sale, or deed-in-lieu of foreclosure.

If at any time a home is not occupied by one of the Owners thereof, there shall be a presumption that the home is being leased and subject to the provisions of this Section 20 and the Owners shall have the burden of proving to the satisfaction of the Board of Directors that the occupancy is not in violation of the terms of this Section 20, including but not limited to the delivery to the Board of directors of a written statement of the nature and circumstances of the occupancy and any written document or memorandum that is the legal basis for the occupancy. For purposes of this Section 20 and any occupancy (including occupancy pursuant to a rent-to-buy contract or similar arrangement or pursuant to any option to purchase) by anyone other than an Owner shall be deemed to be a lease, rental or other similar arrangement, unless the Owner delivers to the Board of Directors a written purchase contract, installment land sale contract, conditional sales contract or similar contract whereby the occupant is unconditionally and presently legally obligated to purchase the home and Lot. If the Owner is selling his or her Lot via land contract, contract for deed, or similar agreement, the contract must be recorded with the County Recorder to be deemed valid. Failure to record the contract will automatically deem the document to be a lease for purposes of this Section 20.

AMENDMENT #4: ENFORCEMENT

The Board proposes that Article XIII, Section 1 be replaced to read as follows:

Section 1. Enforcement. Enforcement of these covenants and restrictions and of the provisions contained in the Articles of Incorporation and By-Laws of the Association will be subject to the grievance process requirements of the Indiana Homeowners Association Act as adopted or amended, and may be by any proceeding at law or in equity instituted by the Association or by any Owner against any person (including the Association) violating or attempting to violate any covenant or restriction, either to restrain violation, to compel compliance, or to recover damages, and against the land, to enforce any lien created by these covenants; and failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association may recover Attorney's fees and costs of any enforcement efforts or actions to cure or otherwise restrain violation, or to recover damages as determined by the court, and the same shall be assessable against and payable by any persons violating the terms contained herein. These attorneys fees and costs are recoverable by the Association regardless of whether suit is filed with the Court.

AMENDMENT #5: NOTICES

The Board proposes that Article XIII, Section 4 be replaced to read as follows:

Section 4. Notices, Any notice required to be sent to any Member of the Association; under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, or communicated through electronic notifications, such as email and text, to the last known address of such

Member appearing on the records of the Association at the time of the mailing or at the time of electronic communications.

AMENDMENT #6: ENFORCEMENT

The Board proposes that Article XVI, Section 1 be replaced to read as follows:

Section 1. Violation Assessment. In addition to all other assessments as be authorized herein, the Board of Directors may levy a Violation Assessment to an Owner for damages if any portion of the Common Area that the Association is obligated to maintain, repair, and/or replace is damaged due to the willful or negligent act or omission of such Owner or Owner's guest or invitee. In the event of such damage, the Board shall have the right to undertake the necessary maintenance, repair, or replacement. The choice between repair and replacement is in the sole discretion of the Board. The Board of Directors may also impose an assessment for a violation against this Declaration, Articles, Bylaws, or the rules and regulations or Guidelines adopted by the Board of Directors, only to the extent any such assessment is permitted by Indiana law. The costs associated with any such assessment as set forth herein, including administrative costs, management costs, court costs, and attorney's fees incurred by the Association, as well as actual costs incurred by the Association to correct the violation are chargeable to the Owner and collectible in the same manner as regular or special assessments.

Section 2. Remedies. Violation or threatened violation of these covenants and restrictions shall be grounds for an action by the Association, any person or entity having any right, title or interest in the Real Estate (or any part thereof), or any person or entity having any right, title or interest in a Lot which is made subject to the Declaration, and all persons or entities claiming under them, against the person or entity violating or threatening to violate any such covenants or restrictions. Available relief in any such action shall include recovery of damages or other sums due for such violation, injunctive relief against any such violation or threatened violation, declaratory relief, and the recovery of costs and attorney's fees incurred by the Association for enforcement; provided, however, that the Association shall not be liable for damages of any kind to any person for failing to enforce any provision of this Declaration.

AMENDMENT #7: RESERVE FUND TRANSFER ASSESSMENT

The Board proposes that a new Article XX be added to the Declaration to read as follows:

ARTICLE XX

RESERVE FUND TRANSFER ASSESSMENT

Upon the closing of each conveyance from one owner to another, the purchase of such Lot shall pay to the Association, in addition to any other amounts then owed to due to the Association, as an advance contribution to the Association's capital reserve fund, at the discretion of the Board of Directors, and amount of one thousand Dollars (\$1,000.00) against such Lot, which payment shall be non-refundable and shall not be considered as an advance payment of any assessment or other charge owed to the Association with respect to such Lot. The Board of Directors shall have the right to adjust the amount of the Reserve Fund Assessment in the future at its sole discretion, by a vote of the Board of Directors. Any such adjustment shall be evidenced by a Board Resolution setting forth the adjustment.