

**PROPOSED AMENDMENTS TO
RESTATEMENT OF DECLARATION OF RESTRICTIONS AND
MAINTENANCE COVENANTS FOR COVERED BRIDGE**

(deletions are ~~stricken through~~; additions are underlined; words already
underlined are double underlined)

Article VI is amended with the addition of the following sections:

(p) Transfer Fee. Upon the transfer of title to a Lot to a person or entity who is not already an Owner of a Lot within Covered Bridge, the new Owners shall pay a Transfer Fee at the time of the closing of the acquisition of the Lot, or if no closing is held, then upon execution of the instrument transferring title. The Transfer Fee shall be equal to the total annual assessment for an improved Lot for that year. If a closing is held, the Transfer Fee shall be collected by the closing agent and paid to the Association. Otherwise, it shall be paid by the new Owner(s) to the Association. This section applies to all Lots, whether improved or unimproved.

(q) Approval of Sales, Rentals and Changes in Long-Term Occupancy.

(i) No Lot shall be sold, rented, transferred or assigned, nor shall the long-term occupancy (over 30 aggregate days in any calendar year) of a Lot change, and no such sale, rental, transfer, assignment or change in occupancy shall take effect for any purpose, until:

(1) The Association has received a completed application from the prospective owner, renter, transferee, assignee or occupant along with such additional information as the Board may from time to time require;

(2) The Association has received a credit and criminal background screening report relating to the prospective owner, renter, transferee, assignee or new occupant, which shall be prepared, commissioned and procured in the manner established by the Board; and

ENCLOSURE 2
"TRANSFER FEE"
WORDING

(3) The prospective owner, renter, transferee, assignee or new occupant has been approved by the Association; which approval shall not be unreasonably withheld.

(ii) The Board shall adopt reasonable rules, procedures and forms to facilitate the proper exercise of this authority. The Board may delegate approval authority to a designated officer or employee of the Association, provided that in such event the prospective owner, renter, transferee, assignee or new occupant shall have the right to appeal any decision to the Board within 10 days after receipt.

(iii) The Board shall adopt and publish objective criteria by which applications shall be evaluated (e.g., criminal background criteria, minimum credit score, etc.).

(iv) The Board shall adopt an application fee to cover the cost and expense of credit and background screening and application process, which shall be due at the time of application.

(v) The Association shall approve or disapprove an application in writing no later than 10 days after the proper submittal of a completed application and fee and delivery of the screening report and such other information as required by the Board.

(vi) The requirements for approval of a sale or transfer, shall not apply to transfers resulting from a foreclosure or deed in lieu of foreclosure or inheritance.