

Amendment to Article V, Section 5.3.1

Section 5.3.1 is stricken and replaced with:

5.3.1 Purpose of the Property and Restrictions on the Renting of Lots.

The property shall be used only for single family residential purposes and common recreational purposes auxiliary thereto. In order to (1) to protect the equity of the individual Owners in Colonial Manor Square; (2) to enhance and protect the value, desirability, and attractiveness of the Property; (3) to carry out the purposes for which the Property was formed by preserving the character of the Property as a homogeneous residential neighborhood of predominately owner-occupied Lots and by preventing the Property from assuming the character of a renter-occupied community; (4) to comply with the eligibility requirements for financing in the secondary mortgage market, if any, insofar as such criteria provides that the project be substantially owner-occupied, renting of the Lots shall be governed by the restrictions imposed by this Section.

Lot shall include mean and refer to any individual plot of land upon nay recorded subdivision plat of the Properties and, if applicable, the Dwelling on that plot of land. Renting includes any and all types of renting and leasing, including but not limited to traditional rentals and home-sharing such as could be booked through a third party such as AirBnB or VRBO. This restriction shall also prohibit fractional ownership, vacation club, and timeshare arrangements.

- (i) Except as otherwise provided in this Section in the case of undue hardship, no Lot may be rented effective upon the recording of this Amendment (the “Effective Date”).
 - (a) The Board shall be empowered to allow reasonable renting of any Lot to avoid undue hardship, upon application by the Owner in accordance with procedures adopted by the Board.
 - (b) Undue hardship shall include, but is not limited to: (1) where an Owner must relocate their residence and cannot within one hundred eighty (180) days from the date the Lot was placed on the market at a fair market value, sell the Lot for the current appraised market value after having taken all reasonable efforts to secure said sale; (2) where the Owner dies and the Lot is being administered by their estate (rental period cannot exceed one year); (3) where the Owner takes a leave of absence or must temporarily relocate and intends to return to reside in the Dwelling (rental period cannot exceed one year); (4) where the Owner resides in a facility that provides substantial medical care or living assistance, temporarily or permanently (rental period cannot exceed one year); and (5) where the Owner is a service member and receives orders to be deployed for a minimum of three (3) months (rental period may be for the duration of the deployment).

- (c) An Owner must make an application for an undue hardship exemption at least thirty (30) days prior to the Lot being offered for rent. Said application must be in writing, provided to the Board or Managing Agent, and contain a copy of the proposed rental agreement. If the name(s) of the proposed tenant(s)/lessee(s) and all Occupants are available at time of application, then said names must be provided. If not available at the time of application, then the names must be provided at least thirty (30) days prior to the beginning of the rental term. All Occupants, other than minors, must be parties to the rental agreement. In the event the Owner is a service member, the thirty-day application can be waived if the Owner did not receive their deployment orders more than thirty days prior to deployment. In this situation, the Owner will need to provide copies of the relevant sections of their deployment orders with their written application.
 - (d) In all such cases, the rental period must be at least six (6) months and not more than one (1) year in duration and a written copy of the rental agreement must be provided to the Board or Managing Agent. No rental agreements may contain any provisions to automatically renew or extend the rental period after the initial term. In the event the Owner is a service member, the rental period may be as short as three (3) months up to the length of their deployment. In this situation, the Owner will need to provide copies of the relevant sections of their deployment orders with their written copy of the rental agreement.
 - (e) The hardship exemption lapses at the end of each rental period and must be reapplied for at least thirty (30) days prior to the end of the rental period. In no case can the rental agreement automatically renew after the initial period without Board approval.
 - (f) Any Owner who violates any condition of the hardship exemption is subject to having the exemption revoked, to having enforcement assessments levied, and to having the rental agreement terminated and the lessee(s)/tenant(s) evicted at the Owner's expense including all court costs and reasonable attorney fees.
- (ii) Those Owners who are currently renting their Lots upon the Effective Date of this Amendment may continue to do so without demonstrating undue hardship as long as the Lot remains rented on a continual basis. Any conveyance, regardless of consideration, will result in termination of this Grandfather Exception.
- (a) This exemption cannot be transferred to future Owners and terminates upon any conveyance of the Lot. The Owner shall be entitled to have new tenants/lessees, but any vacancy of more than 45 days shall terminate the Grandfather provision.
 - (b) Any Owner who is currently renting their Lot upon the Effective Date of this Amendment must provide a copy of the executed rental agreement to the Board or Managing Agent within thirty (30) days of the Effective Date, or the ability to rent shall cease.

- (c) Any future rental agreements must be provided to the Board or Managing Agent within thirty (30) days of execution, specifically identifying any modifications to the expiring agreement.
- (d) In all cases, the rental period must be at least twelve (12) months in duration. Any Owner who violates any condition of the current rental exemption is subject to having the exemption revoked, being levied enforcement assessments, and may constitute a default under the rental agreement giving the Board the right to evict the tenant/lessee at the Owner's expense.
- (iii) The Board shall have the authority to make and enforce reasonable Rules and Regulations pertaining to the rental of Lots, to enforce this Section including any and all penalties for violations thereof, and to levy Enforcement Assessments for violations of any Rules and Regulations set out in Colonial Manor Square governing documents, including but not limited to the Declaration and By-Laws. Any Enforcement Assessment levied against an Owner and not paid shall constitute the ability for the Board to place a lien against the Lot pursuant to the Ohio Revised Code. Additionally, all costs incurred in enforcing this Section shall be levied against the Owner, including but not limited to court costs, lien fees, and attorneys' fees.
- (iv) With respect to those Owners who are permitted to rent their Lots, the following restrictions shall apply: (1) no rental agreement may be of less than the entire Lot; (2) no Lot may be rented for transient or hotel purposes, which shall include, without limitation, any rental where the occupants of the Dwelling are provided customary hotel service such as room service, maid service, or furnishing of laundry and linens; (3) no rental agreements may be made to roomers or boarders; (4) no rental agreements may be for any commercial purposes; (5) no rental agreements may permit sub-renting or permit assignment thereof; and (6) all rental agreements must be in writing and provided to the Board or Managing Agent. Any rental agreements which do not comply shall be void unless subsequently approved by the Board in writing.
- (v) Any and all tenants/lessees/occupants of a Lot shall in all respects be subject to Colonial Manor Square's governing documents, including but not limited to its Declaration and By-Laws, and all Rules and Regulations as are from time to time promulgated by the Board as though such tenant/ lessee/occupant were an Owner. Any tenant/lessee/occupant of a Lot also shall in all respects be subject to the Ohio Revised Code, local zoning ordinances, and all other Community guidelines as if such tenant/lessee/occupant were an Owner.
- (vi) With respect to Owners who are permitted to rent their Lot, the Owner agrees to provide to each tenant/lessee and all Occupants, except minors, with a copy of the Declaration, By-Laws, and all Rules and Regulations as are from time to time promulgated by the Board. Each tenant/lessee and all Occupants, except minors,

shall be required to sign a document acknowledging receipt of said documents and that they are subject to the same.

- (vii) The rental agreement of any Lot/Dwelling shall be in writing and in a form approved by the Board, and a written copy of the rental agreement must be provided to the Board or Managing Agent. Such rental agreement shall provide that violation of any provision of Colonial Manor Square's governing documents, the Rules and Regulations promulgated thereunder, the Ohio Revised Code, local zoning ordinances, and all other Community guidelines shall constitute a default under the rental agreement giving the Board the right to evict the tenant/lessee at the Owner's expense.

In the event such rental agreement does not include such provision, then, by means of this covenant, such provision shall be deemed automatically included in such rental agreement. For any rental agreements in effect as of the Effective Date, the Owner is obligated to add an addendum providing that the violation of any provision of Colonial Manor Square's governing documents, the Rules and Regulations promulgated thereunder, and/or the Ohio Revised Code, local zoning ordinances, and all other Community guidelines shall constitute a default under the rental agreement prior to renewing or extending any existing rental agreement.

- (iix) Each Owner agrees to cause their lessee, tenant, or persons living with such Owner, lessee, or tenant to comply with Colonial Manor Square's governing documents, the Rules and Regulations promulgated thereunder, as well as the Ohio Revised Code, local zoning ordinances, and all other Community guidelines and is responsible and liable for all violations and losses caused by such person or persons, notwithstanding the fact that such person or persons are fully liable for any such violations.
- (ix) Any individual, enforcement, or other assessments levied against the Lot and not paid by the Owner, lessee, or tenant shall give rise to the Board's right to file a lien for nonpayment and enforce said lien in accordance with the Declaration and Ohio Planned Community Law.
- (x) Each Owner agrees to notify the Board or Managing Agent, in writing, of the intent to rent their Lot at least thirty (30) days prior to offering the Lot for rent. In the event the Owner is a service member, the thirty-day application can be waived if the Owner did not receive their deployment orders more than thirty days prior to deployment. In this situation, the Owner will need to provide copies of the relevant sections of their deployment orders with their written application.
- (xi) The occupancy of a Lot by an immediate family member of the Owner shall not be prohibited by this Section. Said family member and any person or persons residing in the Dwelling with said family member must comply with Colonial Manor Square's governing documents, the Rules and Regulations promulgated thereunder, and the Ohio Revised Code. The Owner is responsible and liable for all

violations and losses caused by such person or persons, notwithstanding the fact that such person or persons are fully liable for any such violations. "Immediate family member" shall mean grandmother, grandfather, mother, father, brother, sister, children or step-children of the Owner.

- (xii) The occupancy of a Lot by the sole member of a limited liability company which is the Owner of the Lot, or the beneficiary or trustee of a trust which is the Owner of the Lot shall not be prohibited by this Section.
- (xiii) For purposes of this Section, and with the exceptions noted in paragraphs (xi) and (xii), an Owner is deemed to be renting their Lot if it is not owner-occupied. If a Lot is not occupied by the Owner, it is deemed to be rented and therefore subject to this Section, notwithstanding whether the Owner and the occupant have executed a rental agreement or whether the occupant exchanges consideration with the Owner to reside in the Lot.
- (xiv) Should an Owner rent their Lot without prior Board approval, the Board shall have the right to levy Enforcement Assessments. Any costs so incurred by the Board shall also be assessed to the Owner including all reasonable attorney's fees. In the event the violation continues, additional Enforcement Assessments will be levied, the Hardship Exemption or Grandfather Exception may be revoked, and the Board may evict the renter/lessee/occupant and assess the costs of doing so to the Owner.
- (xv) Any first mortgagee of a Lot who becomes the Owner of that Lot by foreclosure of its first mortgage or by a deed in lieu of foreclosure on its first mortgage shall be permitted to rent the Lot without having to demonstrate undue hardship. However, such rental term shall not be less than one (1) year. The rental agreement shall be in writing, in a form approved by the Board, and must be provided to the Board or Managing Agent. Any subsequent purchaser from the first mortgagee is subject to all restrictions set forth in this Section.
- (xvi) No Lot, or portion thereof, under any circumstances, may be rented for transient or hotel purposes, which shall include, without limitation, any rental where the occupants of the Lot are provided customary hotel service such as room service, maid service, or furnishing of laundry and linens. This includes all instances of home-sharing and short-term rentals of any or all portions of the Lot, such as Airbnb, VRBO, or similar. This restriction shall also prohibit fractional ownership, vacation club, and timeshare arrangements.

No other changes. With the exception of the Amendment as set forth above, there are no changes or revisions to the Declaration referred to above.

Conflicts. In the event of any conflicts, real or perceived, between this Amendment and any provision in the Declaration or By-Laws, this Amendment shall control.

EXHIBIT "A"
LEGAL DESCRIPTION

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section One, being Lots 3147 through 3198 inclusive, as the same are known and designated as recorded in Plat Envelope 3065 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block A being Lots 3762 through 3785 inclusive, as the same are known and designated as recorded in Plat Envelope 3246 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block B being Lots 3838 through 3855 inclusive, as the same are known and designated as recorded in Plat Envelope 3347 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block C being Lots 3856 through 3880 inclusive, as the same are known and designated as recorded in Plat Envelope 3417 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block D being Lots 4168 through 4186 inclusive, as the same are known and designated as recorded in Plat Envelope 3487 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block E being Lots 4196 through 4217 inclusive, as the same are known and designated as recorded in Plat Envelope 3547 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block F being Lots 4315 through 4335 inclusive, as the same are known and designated as recorded in Plat Envelope 3548 A & B, Butler County, Ohio Recorder's Office.

Situated in the City of Monroe, Section 30, Town 3, Range 3, Lemon Township, Butler County, Ohio and being more particularly described in Colonial Manor Square Subdivision Section Two, Block G being Lots 4336 through 4410 inclusive, as the same are known and designated as recorded in Plat Envelope 3596 A, B & C, Butler County, Ohio Recorder's Office.