

**PROPOSED AMENDMENTS TO THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
ORCHARD ESTATES SECTION THREE**

Article XVIII, titled Amendments or Revocation, shall be deleted in its entirety and replaced with the following:

XVIII. Amendments

1. **Amendment by Association.** Except as otherwise provided in this Declaration or by applicable statute, amendments to this Declaration shall be proposed and adopted in the following manner:
 - a. **Resolution.** A resolution to adopt a proposed amendment may be proposed by the Board or Owners by a petition having in the aggregate at least two-thirds (2/3) of the total voting power of the Association.
 - b. **Notice.** Notice of the subject matter of any proposed amendment shall be included in the notice of the meeting at which the proposed amendment is to be considered.
 - c. **Meeting.** The resolution concerning a proposed amendment must be adopted by the designated vote at a meeting of the members of the Association duly called and held in accordance with the provisions of the by-laws of the Association.
 - d. **Adoption.** Any proposed amendment to this Declaration must be approved by a vote of not less than two-thirds (2/3) of the Owners.
2. **Recording.** Each Amendment to the Declaration made pursuant to Section 1 above shall be executed by the President or Vice President and Secretary of the Association. All amendments shall be recorded in the Office of the Recorder of Hendricks County, Indiana, and no amendment shall become effective until so recorded.

The following Article XIX, titled Rentals, shall be added to the Covenants:

XIX. Rentals

Except as set forth in this paragraph, residents of a Lot can only consist of the Lot Owner and those who live with the Lot Owner. If the Lot Owner does not reside on the property, residents of a Lot must be members of the Lot Owners immediate family (i.e., parents, children, spouse, significant other/life partner). Any Lot owned by a corporate entity (including, but not limited to, a partnership, corporation, limited liability company, etc.) shall submit to the Association a certificate of designated representative indicating who is authorized to vote on behalf of the corporate entity and who is authorized to reside in the structure, which must be the same person. For a period of three (3) years after an Owner's acquisition of a Lot (the "Waiting Period"), the Owner cannot lease or rent the building. Upon written request and the showing of an undue hardship (e.g., a temporary employment relocation, disability, death, etc.), the Waiting Period may be waived by the Association at its sole discretion, which decision shall be final and binding. Such waiver shall last no more than one (1) year and may be renewed by the Association upon further request without limitation. All leases shall be in writing, be for the entire Lot, identify the tenant and lease term, and be made expressly subject and subordinate to the restrictive covenants of Association, with a copy of the lease provided to the Association prior to occupancy. Notwithstanding any lease language, the Lot Owner shall remain responsible for full compliance of the restrictive covenants of Association. These residency and lease restrictions shall not apply to any residency or lease situations in effect as of the date of recording. These restrictions may be enforced by the Association at law or equity.