

EAGLE'S BLUFF COMMUNITY ASSOCIATION

4TH AMENDMENT TO DECLARATION

HOW DOES THE AMENDMENT AFFECT ME ?

- ▶ As a current Residential Lot owner –
nothing changes
- ▶ As Eagle's Bluff Community Association –
Declaration language needs to fit the current and future community

PROPERTY TIMELINE

- ▶ 1998 - Country Club community with all platted lots for residential improvement
- ▶ - 2002 - Sections 1-2 annexed
- ▶ 2003 - Sections 3 & 4 annexed, including Lots 1-10 to be used as Boathouse Lots for existing Residential Lot Owners
- ▶ 2004 - Section 5 annexed
- ▶ 2004+ - two adjacent Estate Lots in Section 4 re-platted as Boathouse Lots for existing Residential Lot Owners. Bulkheads built by Developer

PROPERTY TIMELINE

- ▶ 2010+ - Certain Boathouse Lot Owners are not Residential Lot Owners due to separate sale of property
- ▶ 2008 - 2015 - Two separate road breaches of Section 4 due to natural forces. Led to declaring:
 - ▶ Estate Lots now “unbuildable”
 - ▶ Boathouse Lots now only suitable for boathouse at the shoreline

PROPERTY TIMELINE 2018+

- ▶ Additional Boathouse Lots expected from re-platting of “unbuildable” Estate Lots in Section 4
- ▶ Additional Sections being annexed for residential development, some sections with additional or unique requirements
 - ▶ Fairway View Estates
 - ▶ The Cottages at Eagles Bluff

4TH AMENDMENT TO DCCR NEEDED

4

things to be done

4TH AMENDMENT TO DCCR NEEDED

- ▶ #1 - Clarification of document language, "Unit", to remove ambiguities concerning non-residential lots
- ▶ #2 - Permit collective sub-management of Section 4 Boathouse shoreline properties by those owners
- ▶ #3 - Provide framework to incorporate new Unit Types having additional or unique "sub-community" requirements
 - ▶ #4 - "Deficit Funding" for new annexations

LOTS OF SMALL CHANGES NECESSARY FOR AMENDMENT

Must amend Articles in the Declaration in 12 places

to enact the needed changes,

but once done,

EBCA will be set to oversee our evolving community

Just remember →

IF 4TH AMENDMENT TO DCCR FAILS

- ▶ Our Declaration suffers ambiguities governing non-residential lots within the Properties
- ▶ Impractical for Boathouse Lot owners to self-manage a Reserve to make bulkhead repairs necessary for an un-compromised shoreline
- ▶ Supplemental Declarations for future annexations become more complex

CAUSE OF AMBIGUITIES

- ▶ “Member”_(43 times) “Owner”_(173 times) “Unit”_(160 times)
 - ▶ Member = is an Owner
 - ▶ Owner = has deed for a Unit
 - ▶ Unit = lot for single family dwelling

*Oftentimes language intended for all lots within the Properties, but uses “Unit”,
disregarding non-residential lots*

SOLUTION TO AMBIGUITIES

- ▶ Any deeded lot is a Unit, and is assigned a Unit Type
 - ▶ Residential Unit = lot for single family detached dwelling
 - ▶ Class "A" Member; Base Assessment
 - ▶ Boathouse Unit = lot solely for shoreline recreational use with a boathouse
 - ▶ Class "BH" Member; No Base Assessment; Admin Fee Assessment; Limited Common Reserve Assessment
 - ▶ Unidentified Unit = lot assigned to no other Unit Type
 - ▶ Class "O" Member; No Base Assessment

"Unit" now refers to all platted lots within the Properties

FUTURE UNIT TYPE

- ▶ Cottages Unit = lot for single family attached dwelling in sub-community "The Cottages"
- ▶ Class "A" Member; Base Assessment; Limited Common Expense Assessment; Limited Common Reserve Assessment

***To be filed in Supplemental Declaration
annexing The Cottages***

DEFICIT FUNDING OF FUTURE ANNEXATIONS

- ▶ Declarant pays difference between assessments issued and expenses for upkeep of Limited Common Area and capital repairs
- ▶ Until there is no expected deficit
- ▶ Limits liability of existing Association Members, while allowing transfer of new common area via Warranty Deed

Would first apply to The Cottages

QUIZ

- ▶ Conceptually, how many things need to be addressed?
- ▶ To accomplish, how many places in the Declaration need amending?

AMENDMENT SUMMARY

Each amended article is to either :

Clarify(12)

or

Introduce(10)

AMENDMENT SUMMARY

▶ **Article I - Definitions**

- ▶ 1.4 - *Clarify* "Base Assessment" for Common Expense and Common Reserve
- ▶ 1.4 - *Introduce* supplemental "Limited Base Assessment" for Unit Types with Limited Common Expenses and Limited Common Reserves
- ▶ 1.4 - *Introduce* "Boathouse Base Assessment"
- ▶ 1.4 - *Introduce* "Admin Fee" for Boathouses

AMENDMENT SUMMARY

▶ **Article I - Definitions**

- ▶ 1.9 - *Clarify* "Common Area" is by deed conveyance
- ▶ 1.9 - *Introduce* "Limited Common Area"
- ▶ 1.10 - *Introduce* "Limited Common Expenses"
- ▶ 1.27 - *Clarify* "Unit". *Introduce* "Residential Unit", "Boathouse Unit", and "Unidentified Unit". New Types added during Annexation w/Board approval

AMENDMENT SUMMARY

▶ **Article 3.3 - Membership & Voting Rights**

- ▶ *Clarify* Class "A" Member (Residential Owner)
- ▶ *Introduce* Class "BH" Member (Boathouse Unit Owner)
- ▶ *Introduce* Class "O" Member (Property Owner not "A" or "B" or "BH")
- ▶ New Membership Classes added during Annexation w/Board approval

AMENDMENT SUMMARY

- ▶ Article 5.1(e) - Maintenance of Common Area
 - ▶ *Clarify* that “Common Expenses” are supplemented by “Limited Common Expenses”, where applicable

AMENDMENT SUMMARY

▶ **Article X - Assessments**

▶ **Creation of Assessments**

- ▶ 10.1 - *Clarify* Assessments fund "Common Expenses", "Limited Common Expenses", "Common Reserves" and "Limited Common Reserves" dependent on Unit Type

▶ **Computation of Base Assessment**

- ▶ 10.3 - *Clarify* "Base Assessment" applies to single-family Units

AMENDMENT SUMMARY

▶ **Computation of Base Assessment**

- ▶ 10.3 - *Introduce* "Base Assessment" may be supplemented by a "Limited Base Assessment" to cover Limited Common Expenses and Limited Common Reserves depending on "Unit Type"
- ▶ 10.3 - *Introduce* Boathouse Units have unique "Boathouse Assessment" consisting of "Admin Fee" & their "Limited Reserve" contribution

AMENDMENT SUMMARY

▶ **Computation of Base Assessment**

- ▶ 10.3 - *Introduce* "Deficit Funding" for new annexations
- ▶ 10.3 - *Clarify* "Budgets" are separate per Unit Type, with separate bank accounts not to be cross-used
- ▶ 10.3 - *Clarify* how the budgets and associated assessments per Unit Type can be disapproved

AMENDMENT SUMMARY

- ▶ **Reserve Budget & Capital Contribution**

- ▶ 10.5 - *Clarify* "Limited Common Reserves" are created separately per Unit type where applicable. No cross-usage

- ▶ **Special Assessments**

- ▶ 10.6 - *Clarify* Special Assessments will apply to all affected Unit Types

AMENDMENT SUMMARY

- ▶ **Article XVIII - General Provisions**
 - ▶ **18.2 - Amendment**
 - ▶ 18.2.(a) - *Clarify* "total votes of the Association" for Declaration amendment