

Amendment 2

COLA increase for Administration Costs for land only owners

The purpose of this amendment is to increase dues (fees) as inflation occurs. The objective is stay on budget for existing administrative functions. Beginning in 2016, fees for Administration, shall be increased according to the Cost-of-Living Adjustment (COLA) as determined for the previous year by The Social Security Administration using the Consumer Price Index (CPI) compiled by the United States Department of Labor Statistics. Increases of fees for Administration shall not exceed 5% per calendar year. For years in which COLA is zero, there would be no fee increase the following year. The increase for any year, therefore, may range between 0% to a maximum of 5% of this fee for the preceding year. COLA increases for a given year are applied in the following year.

This fee escalator only addresses increases in costs due to inflation. Expansion of administration would require additional funding in order to remain within budget. The Board of Directors or Owners may amend the recreational fee by application of the Restrictions, Easements, and Covenants (section XIC), approval requiring an affirmative vote of all Owners. Only Owners have the power to alter it.