

June 1, 2019

To: Tollgate Village Homeowners Association

From: Larry Simmons – TAC President and HOA member

RE: Final results of Resident vote to change Covenants

The board may recall that in April we conducted a resident vote to incorporate three new covenants into the Tollgate Village Covenants. Brian Rowe, the Developer and HOA president, said that if the residents were in favor of making these changes, he would support it. At the time, it was believed that as the developer, and being in control of the HOA, Brian had the ability to make these changes at will. He agreed to vote according to the will of Tollgate residents.

Ghertner mailed a form letter and ballot to residents in April, seeking their vote on each of the three proposed covenant changes. Due to a mail mix-up, some residents received their ballots late and asked for an extension on the due date. The date was extended. Approximately 90% of those who voted were in favor of changing the covenants.

Brian approved getting Bill Miller, the HOA attorney to craft the appropriate documents. Bill found that current Tollgate Covenants state any changes to the covenants that “(i) materially and adversely alters or changes the rights of any Owner to the use of his or her Parcel”, require a vote of 51% of the residents as well as concurrence by the developer.

Based upon that determination, Ghertner was asked to email residents a copy of the ballot with the same information provided previously. The deadline for submission was May 31st.

The results of the vote are on the next page. Only 43% of residents voted which is significantly below the required 51%. This indicates residents are not interested in this change. Due to the lack of 51% of resident votes, this effort failed.

Regards,

Larry Simmons

RESULTS OF TOLLGATE VILLAGE NEIGHBORHOOD VOTE

According to Bill Miller, HOA attorney, need 51% of 528 lots, or 269 votes to pass

April 4th – May 31st 2019

QUESTION 1 Total Votes 229 43% of residents voted

| | | | |
|---------------|-----|-------|--|
| YES | 202 | 90.5% | Would you be in favor of creating a covenant in our TGV bylaws that expressly prohibits short term rentals of less than 12 months? |
| NO | 27 | 9.5% | |
| # of Comments | 36 | | |

Sample Comments on Q1

"I (live in another town and rent) one property in the neighborhood and disagree with the comment that I don't have a vested interest in the neighborhood....."

"How would you enforce this?"

"We have done Air B&B because we live in the homePerhaps there could be a distinction between short term rental for a non-owner vs 1 or 2 bedrooms in owner occupied home"

QUESTION 2 Total Votes 229 43% of residents voted

| | | | |
|---------------|-----|-----|---|
| YES | 204 | 89% | Are you in favor of creating a covenant that requires a buyer reside in the residence for at least twelve months before it can be rented? |
| NO | 25 | 11% | |
| # of Comments | 34 | | |

Sample Comments on Q2

"I am in favor of creating a covenant that limits the number of homes that can be rented in Tollgate"

"I am not in favor of rentals at all"

"...some properties which have already been rented should be grandfathered"

"Could this be increased to 24 months"

"I am for a 36 month before any rentals and they must pass a community background check and a 6 month"

QUESTION 3 Total Votes 228 43% of residents voted

| | | | |
|---------------|-----|-------|--|
| YES | 207 | 90.7% | Are you in favor of creating a covenant that requires residents who rent to third parties to provide a plan to accommodate off street parking for resident and renter's vehicles? The inability to meet this requirement would result in the HOA prohibiting the rental? |
| NO | 21 | 9.3% | |
| # of Comments | 20 | | |

Sample Comments on Q3

"Are these requirements retroactive?"

"HOA needs to enforce current on street parking covenants"

"I am strongly opposed to such a covenant. We do not need our HOA to act as 'the gestapo'....."

"This is essential to the well being of the neighborhood and our property values in the future"