

Taking involves a portion of the Common Property on which a significant amenity has been constructed, then the Association shall restore or replace such amenity so taken on another portion of the Common Property, to the extent space is available therefore, in accordance with plans approved by the Board of Directors, unless within one hundred-twenty days after such Taking a vote of a Super Majority of the Eligible Members during a Membership vote decides otherwise. The Board must give notice to the Membership and schedule a Membership vote within 15 days after the Taking. The provisions of Article 12 regarding the disbursement of funds following damage or destruction shall apply.

ARTICLE 16 - **AMENDMENT**

Section 16.1. Amendment by the Association

- (1) Unilateral Amendments. The Board may unilaterally without the approval of any Owner or Mortgagee amend any provision of this Declaration to satisfy the requirements of any government or governmental agency.
- (2) Owner Approval. The Association may amend this Declaration with the approval of a Super Majority Vote of the Eligible Members in a Membership Vote.
- (3) Certification. An amendment by the Association shall be certified by the President as to compliance with the procedures set forth in this Article, signed and acknowledged by the President and Secretary of the Association, and recorded among the Land Records. In accordance with subsection 55-515.1E of the POA Act, an action to challenge the validity of an amendment may not be brought more than one year after the amendment is effective.
- (4) Supplementary Declarations. Amendment of a Supplementary Declaration is governed by the provisions for amendment contained herein. Although the Declaration and Supplementary Declaration should be construed to give effect to both, in the case of conflicting provisions, the Declaration shall control.

Section 16.2. Prerequisites to Amendment

- (1) Notice. Written notice of any proposed amendment to this Declaration or any Supplementary Declaration by the Association shall be sent to every Owner (or every Owner of a Lot subject to such Supplementary Declaration) at least thirty days before any action is taken. No amendment shall increase the financial obligations of an Owner in a discriminatory manner or further restrict development on existing Lots in a discriminatory manner. **No amendment to the Declaration shall diminish or impair the rights of Lake Holiday LLC** during the period Lake Holiday LLC or the Landowner owns Lots in Sections 5B, 5C, 7, 9, 10, 11 and 12 of the Submitted Land without the prior written consent of Lake Holiday LLC. No amendment to the Declaration shall diminish or impair the express rights of the Mortgagees under the Declaration without the prior written approval of at least fifty-one Percent of the Mortgagees.

- (2) Mortgagee Approvals. In order to allow Owners to be eligible to obtain financing guaranteed by VA, FHA, Freddie Mac or Fannie Mae, any material amendment to the Association Documents must also be approved by fifty-one percent of the Mortgagees. If a Mortgagee is notified of proposed amendments or actions of the Association in writing by certified or registered United States mail, return receipt requested (or by any other means accepted as good delivery of notice under applicable law), and such Mortgagee does not deliver a negative response within thirty days, such Mortgagee shall be deemed for the purposes of this Declaration to have approved such amendment or action. Approval by a Mortgagee also includes the issuance of any written waiver or letter stating “no objection.” A Mortgagee’s right to vote is in addition to, and does not replace, an Eligible Member’s right to vote.
- (3) VA or FHA Consent. The Association may not materially amend this Declaration for so long as a Lot within the Submitted Land is encumbered by a loan guaranteed by VA or insured by FHA, without obtaining the consent of the VA if a VA guarantee is in effect on a Mortgage or without obtaining the consent of FHA when FHA insurance is in effect on a Mortgage. In addition, during the Development Period, VA and FHA must be informed of all amendments to the Association Documents if this Declaration has been previously approved by such agency. Only FHA or VA may enforce this provision.

ARTICLE 17 - TERMINATION

Section 17.1. Duration; Termination by the Association.

The covenants and restrictions of this Declaration shall run with the land and bind the Submitted Land and be in full force and effect in perpetuity except as amended as provided above or unless terminated as hereinafter provided. The Association may terminate this Declaration only by a vote or written approval of at least eighty percent of the Eligible Members. The termination shall not be effective until certified by the President as to compliance with the procedures set forth in this Article, signed and acknowledged by the President and Secretary of the Association.

Section 17.2. Prerequisites.

Written notice of the proposed termination shall be sent to every Owner and Mortgagee at least sixty days before any action is taken. The Declaration may not be terminated during the Development Period without the prior written consent of Lake Holiday LLC. Such termination shall not affect any permanent easements or other permanent rights or interests relating to the Submitted Land created by or pursuant to the Association Documents.