

Dear Owner:

You are receiving this notice because you are the owner of one or more lots or tracts of land located in Sportsman's World Sections 1-13 and/or Sportsman's World Sections 15-16 ("SWRA Property") which are subject to the covenants, conditions, and restrictions for the Sportsman's World Recreational Association, Inc. ("SWRA").

The Declaration of Covenants, Conditions, and Restrictions for Sportsman's World (Recreational Facilities) for the SWRA ("SWRA Declaration") states that regular assessments are to be levied against SWRA Property owners on a uniform basis per lot or tract. 'Lot' and 'tract' are used interchangeably in the SWRA Declaration but mean the same thing – a single unit of real property described by metes and bounds or lot-and-block description per the original plat of each section of the SWRA Property – and are therefore referred to as a "lot" or "lots" hereafter. An exception to this per-lot uniform assessment requirement exists for certain properties within Sportsman's World Sections 11, 12, 15, and 16, and owners of any lot(s) within the foregoing Sections have or will receive a separate letter from SWRA pertaining to this exception.

Various owners of land within the SWRA Property own replatted original lots which have been combined into a single new contiguous tract of property per a replat ("Replatted Property") and have contended that the Replatted Property is therefore one single "lot" for purposes of regular assessments per the SWRA Declaration. This contention is incorrect and adverse to the intent of the original developer of Sportsman's World pursuant to the language of the SWRA Declaration.

The following requirements are in effect as of July 1, 2024:

1. An owner of any Replatted Property within SWRA Property which consists of more than one original lot as defined in the original plats of the SWRA Property will continue to be assessed in the same manner pertaining to total number of lots owned as the last cycle of regular assessments until such time that title to any portion of a Replatted Property changes ownership in any form or fashion, including but not limited to via sale, conveyance, gift, quitclaim, or any other method of title transfer; and
2. Upon transfer of title to any portion of a Replatted Property, SWRA regular assessments will thereafter be levied, beginning during the next cycle of regular assessment levies after such transfer, on an owner of any portion of the Replatted Property based on the number of original lots per the original SWRA Property plats which are owned by each individual owner.

For ease of understanding, the following are examples of these requirements using "Section Z" for purposes of demonstration:

1. *Example 1:* John Doe currently owns Lot 3R, which is a replat and combination of original plat Section Z Lots 1, 2, and 3:
  - a. If John Doe has previously been assessed by the SWRA as only owning 'one lot' for purposes of regular assessments, John Doe will continue to be assessed as being the owner of one lot until such time as John Doe transfers title to any portion of Lot 3R;
  - b. Upon the transfer of title for any portion of Lot 3R from John Doe, John Doe will be regularly assessed based on the number of original lots he retains ownership of out of Lot 3R after such transfer and whomever obtains title to the portion of

Lot 3R that was transferred from John Doe will be assessed based upon the original number of lots making up the portion of 3R that was transferred.

- i. If John Doe sells original Lot 3 out of the replatted Lot 3R, John Doe will thereafter be considered to own two lots (Lot 1 and Lot 2 per the original plat) and the new title holder will be considered to own one lot (Lot 3 per the original plat) for purposes of SWRA regular assessments.
  - ii. If John Doe sells the entirety of Lot 3R, the new owner will be considered to own three lots for purposes of SWRA regular assessments (Lots 1, 2, and 3 per the original plat).
2. *Example 2:* Jane Doe currently owns Lot 5R, which is a replat and combination of all of Lot 5 and  $\frac{1}{2}$  (50%) of Lot 4 of original Section Z Lots 4 and 5:
  - a. If Jane Doe has previously been assessed by the SWRA as only owning 'one lot' for purposes of regular assessments, Jane Doe will continue to be assessed as being the owner of one lot until such time as Jane Doe transfers title to any portion of Lot 5R;
  - b. If Jane Doe transfers title to the entirety of Lot 5R, the new title owner will be considered to own 1.5 lots for purposes of SWRA regular assessments (Lot 5 and  $\frac{1}{2}$  of Lot 4 per the original plat).
  - c. If Jane Doe transfers title to original lot 4 out of replatted Lot 5R, the new owner will be considered to own one lot (original lot 4) and Jane Doe will be considered to retain 0.5 lots ( $\frac{1}{2}$  of lot 4), the remaining amount of 5R that was not transferred, for purposes of regular assessments.
3. *Example 3:* John Doe owns Lot 6R which is a replat and combination lot 6 and the eastern 1.5 acres of lot 7 of original plat Section Z Lots 6 and 7. Jane Doe owns Lot 8R which is a replat and combination of the western 2.5 acres of lot 7 and all of lot 8 of original plat Section Z Lots 7 and 8. Lot 7 of the original plat consisted of 4 acres total.
  - a. If Jane Doe and John Doe have previously been assessed by the SWRA as only owning 'one lot' each for purposes of regular assessments, they will continue to be assessed as being the owner of one lot each until such time as title to any portion of their respective properties are transferred.
  - b. If John Doe transfers the entirety of lot 6R, the new owner will be considered to own 1.375 lots for purposes of regular assessments consisting of original lot 6 and 37.5% of original lot 7 (1.5 acres out of 4 original total acres).
    - i. Jane Doe will still be considered the owner of only one lot if previously assessed as such because she has not conveyed any portion of Lot 8R.
  - c. If Jane Doe transfers the entirety of lot 8R, the new owner will be considered to own 1.625 lots for purposes of regular assessments consisting of original lot 8 and 62.5% of original lot 7 (2.5 acres out of 4 total original total acres).
    - i. John Doe will still be considered the owner of only one lot if previously assessed as such because he has not conveyed any portion of Lot 6R.
  - d. If title to both Lot 6R and Lot 8R are transferred to the same new owner by John Doe and Jane Doe, respectively, the new title owner of 6R and 8R will be considered to own three lots total for purposes of regular assessments (1.375 for lot 6R and 1.625 for Lot 8R, consisting of original lots 6, 7 and 8).

If you have any questions regarding the contents of this notice, please contact the SWRA to discuss.

Thank you for your time and attention to this matter.

Sincerely,

Sportsman's World Recreational Association, Inc.