

February 17, 2023

To: Phil Hahn, Founder and Developer of Carmelita Gardens

LETTER OF INTENT

We, the Carmelita Gardens Community whose names follow the end of this Letter, want to make it clear that we are ready and willing to work with you to see a smooth transition to an HOA. We believe that there are benefits to both owners and the Developer to work cooperatively as Carmelita Gardens progresses to a HOA.

Initial Information

To simply start a cooperative venture, we require at least the following information:

1. **Carmelita Belize Ltd:** Who are the current members of this company? We need to know who specifically we are dealing with.
2. **Carmelita Gardens Assembly Ltd:** Does this company still exist, or will we need to form a new HOA entity?
3. **Current property owners:** As we will be required to get their input on formation of an HOA, we must be able to contact current property owners. To that end, we ask for a list of all owners (including investors), and the lots they own.
4. **The Developer's Agreement with the DOE:** Confirmation that the Developer is in full compliance with all requirements of the DOE. A copy of the new Covenants required under this agreement. Listing of properties and their DOE agreed use.

What we will pay for

We are proud of our community and acknowledge that that pride reflects in its appearance. So, initially, we agree in principle with accepting responsibility for the care and upkeep (once amounts are verified) of:

1. Maintenance of the common green areas including the properties designated as community properties in the DOE agreement.
2. Simple maintenance of the current roads, pothole filling and grass cutting.

The garden is something that will require more discussion as many feel it is a "business" and beyond a cost the community should shoulder.

Membership and Voting

We propose that everyone who is listed on a title to a property and is over 18 years of age, is a member. Each member would have a vote such that no member has more than one vote. Companies would count as one person. We seek your agreement on this point.

Officers of the HOA

We would like to work with you, for example regarding Officers of the HOA, to amend/change the Restrictive Covenants and Articles of Assembly to bring them more into line with the Carmelita Gardens of today and what we anticipate for the future. We all recognize that these documents were written over 10 years ago, and we all seem to recognize that time and events have overtaken them. We therefore seek your agreement to work together to evaluate and amend them as required.

Fees

We currently favour a simple math formula to assign fees, total annual cost of items accepted divided by the total number of properties, which would be 246 (total properties in the development) minus 8 (the number of properties the developer has told the DOE were for civic use), leaving the cost to be divided by 238. There may be some room for acknowledging the investment made to date by the developer. We seek your agreement on this.

Conclusion

We as a community look forward to starting this venture of creating an HOA that will benefit all involved – the Developer, employees, current owners, and prospective owners. We understand that this will not be a simple matter; the items above may only scratch the surface of what is required. We ask that you accept this letter as a starting point along the road to the Community taking care of itself, its desire to do just that, and its resolve to make sure that Carmelita Gardens will be around and able to care for itself into the next century. We look forward to hearing your response by close of business February 23, 2023.

Sincerely,

Mary Arnold

Bruce Becvar

Chris Boutwell

Steven Brown

Vern Brussow

Mike Duffy

John Gieg

Al Gollnick

Mark Heit

Donald Houser

Victoria Hudson

Jessica Keener

Susan Keener

Tony Lauria

Jennifer May

Tim Parr

Joanne Plamondon

John Plamondon

Steven Potts

Luevenia Richardson

Michael Richardson

Gail Shutiak

Chera Walsh