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**AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS
WILLOW POND AT LAKE NORMAN**

**THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS
AND THE DISPLAY OF THE FLAG OF THE UNITED STATES OF AMERICA OR STATE
OF NORTH CAROLINA**

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STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

**AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
WILLOW POND AT LAKE NORMAN**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS WILLOW POND AT LAKE NORMAN (“Declaration”) is made as of the ___ day of _____, 20____. All capitalized terms shall have the meaning set forth in **Article I** or elsewhere in this Declaration.

BACKGROUND STATEMENT

The Property is located in Mecklenburg County, North Carolina and consists of single-family homes. The original Declaration is recorded in Book 5979 Page 768 of the Mecklenburg County Register of Deeds Office (“Original Declaration”). In accordance with the provisions of Article VIII Section 3, owners of at least seventy-five percent (75%) of the Lots have approved of this Declaration as evidenced by their signatures attached hereto. It is the intent of the members that this Declaration shall completely replace the Original Declaration.

On the Property is a residential community of single-family detached Houses on Lots on the Property along with Roadways and Common Elements for the benefit of the Owners of Lots. This development is known as Willow Pond at Lake Norman (“Project”). This declaration provides for the maintenance of the Common Elements and of the Roadways and this Property and this Project are subjected to the covenants, restrictions, easements, charges, and liens described in this Declaration.

The Willow Pond at Lake Norman Homeowners Association, Inc. is a nonprofit, incorporated association which has the powers of maintaining and administering the Roadways and Common Elements of the Project, of administering and enforcing the covenants and restrictions created in this Declaration, of levying, collecting and disbursing the Assessments and charges created in this Declaration, and of taking any steps or performing any acts deemed necessary or appropriate to preserve the values of the Lots and to promote the recreation, health, safety and welfare of the Owners of the Lots within the Project.

STATEMENT OF DECLARATION

NOW, THEREFORE, the Property shall be held, transferred, sold, conveyed, occupied and used subject to the North Carolina Planned Community Act (N.C.G.S. Chapter 47F) and to the following easements, restrictions, covenants and conditions, which shall run with the Property and be binding on, and inure to the benefit of, all parties having any right, title or interest in the Property or any part thereof, and the heirs, successors and assigns of all of the foregoing parties.

ARTICLE I DEFINITIONS

The following words, when used in this Declaration or any supplement or amendment hereto, shall have the following meanings (unless the context shall prohibit):

“Act” shall mean the North Carolina Planned Community Act, codified in Chapter 47F of the North Carolina General Statutes.

“Association” shall mean and refer to the **Willow Pond at Lake Norman Homeowners Association, Inc.**, a North Carolina non-profit corporation, organized pursuant to N.C.G.S. § 47F-3-101 and § 55A-2-02, and its successors and assigns.

“Board” or “Board of Directors” shall mean and refer to the executive board of the Association.

“Bylaws” shall mean the bylaws adopted by the Association pursuant to the North Carolina Non-Profit Corporation Act, as they may be amended from time to time.

“Certificate of Occupancy” shall mean and refer to any required certification issued by the appropriate governmental authorities as a prerequisite to occupancy of any House on the Property.

“Common Elements” shall mean and refer to all real and personal property leased or owned by the Association and any easements granted to or reserved for the benefit of the Association for the common use and enjoyment of the Owners as defined in N.C.G.S. § 47F-1-103(4). Common Elements shall include any private Roadways and any private alleys that appear on the Plat. “Common Area,” Common Open Space” and “COS” are part of the Common Elements. Common Elements shall also include Public Use Areas that are conveyed to the Association as permitted under **Article II, Section 2.2**. In addition,

“Community Wide Standard” or “CWS” shall mean and refer to the standard of conduct, condition, repair, upkeep, maintenance, or other activity which is made applicable to all Lots and is binding on all Owners as provided in **Article VII**. The Community Wide Standard may be set, amended, or expanded by the Association’s Board of Directors from time to time without the consent or approval of the Members as the Board of Directors, in its sole and absolute discretion, deems appropriate.

“County” shall mean and refer to Mecklenburg County, North Carolina.

“Declaration” shall mean and refer to this Amended and Restated Declaration of Covenants, Conditions and Restrictions, as it may be amended, supplemented, or extended from time to time.

“House” shall mean and refer to the primary residential dwelling improvement constructed upon a Lot, which improvement is owned by the Owner of the Lot on which it is constructed and is subject to the terms and provisions of the Project Documents.

“Lot” shall mean and refer to any numbered plot of land appearing on any Plat of the Property which is the site for construction of a House and includes the land and any and all improvements and fixtures thereon.

“Member” shall mean and refer to every individual, corporation, partnership, limited liability company, association, trustee, or other legal entity that is a member of the Association as provided in **Article III, Section 3.1**.

“Mortgage” shall mean and refer to a mortgage or deed of trust constituting a first lien on a Lot.

“Mortgagee” shall mean and refer to an Institutional Lender holding a Mortgage that has notified the Association in writing of its name and address, and that it holds a Mortgage on a Lot. Upon request, each Owner shall provide the name and address of the then current holder of any Mortgage encumbering Owner’s Lot.

“Occupant” shall mean and refer to any person occupying all or any portion of a Lot or any portion of the Property for any period of time.

“Owner” shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot (as defined herein) which is a part of the Property but excluding those parties who have such interest merely as security for the performance of an obligation.

“Plat” shall mean and refer to the one or more subdivision maps of the Property recorded in the County public registry from time to time, and any revisions thereof.

“Project Documents” shall mean and refer to this Declaration, the Articles of Incorporation of the Association, the Bylaws, and the rules and regulations governing the use of the Property and the Community Wide Standard, as the foregoing may be amended and supplemented from time to time, and all attachments and exhibits thereto.

“Public Use Areas” shall mean and refer to any land appearing on the Plat that is reserved for, designated for, or dedicated to public use, including, without limitation, road and street rights-of-way, public greenway tracts and public park tracts, whether or not that land is submitted or subjected to this Declaration.

“Property” shall mean and refer to the land described in Exhibit A.

“Rear Yard” shall mean and refer to the area within each Lot bounded by the plane established by the rear façade of the House and the rear and side property lines established on the Plat.

“Roadways” shall mean and refer to the roads, streets, and cul-de-sacs in the Project as shown on the Plat and shall be public or private as designated on the Plat. Private Roadways shall be maintained by the Association. Public Roadways shall be maintained by the Association until a governmental entity or agency elects, in its discretion, to assume responsibility for Roadway maintenance.

ARTICLE II COMMON ELEMENTS

Section 2.1 Owners’ Easements of Enjoyment. Every Owner shall have a perpetual right and easement of enjoyment in and to the Common Elements, which shall be appurtenant to and shall

pass with the title to every Lot, subject to the terms of this **Section 2.1**. The foregoing rights shall include, without limitation, a non-exclusive easement over all Roadways for the purpose of vehicular and pedestrian access, ingress, and egress to each Lot. All rights and easements created by this **Section 2.1** shall be deemed appurtenant to each Lot, shall inure to the benefit of each Owner and his tenants, family members, guests, invitees, and agents, and are granted subject to the provisions of this Declaration including, without limitation, the following conditions, and reservations:

- (a) The right of the Association, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred as permitted under the Act;
- (b) The right of the Association to take any steps that are reasonably necessary to protect the Common Elements against foreclosure;
- (c) The rights of the Association, as provided in the Project Documents and the Act, including without limitation, to impose fines and to suspend voting rights, services provided or privileges enjoyed by any Member for any period during which any assessment remains unpaid, or as a result of any infraction or violation of the Project Documents;
- (d) The right of the Association, in accordance with the provisions of N.C.G.S. § 47F-3-112, to dedicate or transfer all or any part of the Common Elements;
- (e) The easements described in **Article IX**;
- (f) The right of the Association to establish reasonable rules and regulations for the use of the Property by Members or their tenants, family members, guests, invitees, and agents, as provided in **Article XI**; and
- (g) Any and all other provisions of this Declaration and the Project Documents.

The rights and privileges of family, tenants and contract purchaser and guests to use the Common Elements are subject to the following additional conditions and reservations:

- (a) Family. The rights and easement of enjoyment granted to every Owner in **Section 2.1** of this Article may be exercised by members of the Owner's family who occupy the House of the Owner within the Property as their principal residence.
- (b) Tenants or Contract Purchasers. The right and easement of enjoyment granted to every Owner in **Section 2.1** of this Article may be delegated from the Owner to tenants or contract purchasers who occupy a House within the Property as their principal residence; provided, however, in the event of any such delegation by lease, contract or otherwise, the Owner shall not assert any right or exercise any easement of enjoyment delegated as allowed herein unless and until that delegation terminates.
- (c) Guests. The Common Elements may be utilized by guests of Owners, tenants, or contract purchasers subject to the rules and regulations of the Association as may be established by the Board from time to time, including, without limitation, rules limiting the number of guests.

NOTWITHSTANDING AND WITHOUT LIMITING THE FORGOING, EVERY OWNER SHALL BE RESPONSIBLE AND LEGALLY LIABLE TO THE

ASSOCIATION AND TO EVERY OTHER OWNER FOR THE ACTS AND OMISSIONS OF ANY PERSON OR ENTITY WHO IS PRESENT ON THE PROPERTY AT THE REQUEST OF, WITH THE PERMISSION OF OR WITH THE KNOWLEDGE OR CONSENT OF THE OWNER OR OWNER'S TENANT.

Section 2.2 Transfers of Property to the Association as Common Elements. All or any real or personal property assigned, transferred and/or conveyed to the Association shall be considered Common Elements.

Section 2.3 Maintenance. Common Elements shall be maintained by the Association as more particularly detailed in **Section 7.1**. Maintenance of the Common Elements shall include maintenance, repair, and reconstruction, when necessary, of all improvements located thereon. Any portion of the Common Elements that is conveyed to the Association in an unimproved and natural state may be maintained in the same state after it is conveyed to the Association.

Private Roadways shall be maintained by the Association. Public Roadways shall be maintained by the Association until a governmental entity or agency elects, in its discretion, to assume responsibility for Roadway maintenance. Maintenance of the Roadways shall conform, at a minimum, to the standard of maintenance (if one is ascertainable) which would be required by the governmental entity or agency having authority over the Roadway. Notwithstanding the forgoing, each Owner shall maintain that portion of the Roadway right-of-way located between the property line of the Owner's Lot and the improved portion of the Roadway adjacent thereto, including, without limitation, all planting strips, but excluding sidewalks, all as more particularly provided in **Article VII**.

The Association shall not be responsible for the maintenance of any House, Lot or any portion of any Lot or the improvements within the boundaries thereof except as specifically provided in **Section 7.1**. The Owners of such Lots shall be solely responsible for same.

Section 2.4 Reserve Fund(s). The Association may establish and maintain reserve fund(s) for the periodic maintenance, repair and replacement of all or a portion of the Common Elements and/or Roadways to fund unanticipated expenses of the Association and/or to acquire equipment or services as may from time to time be deemed reasonable, necessary, or desirable by the Board of Directors. Such reserve fund(s) shall be collected and maintained out of the assessments, as hereinafter provided in **Article IV**. Assessments collected as reserves shall not be considered to be advance payments of Annual Assessments.

ARTICLE III THE ASSOCIATION

Section 3.1 Automatic Membership. All Owners shall automatically be Members of the Association and shall enjoy the privileges and be bound by the obligations contained in the Project Documents. Ownership of any fee or undivided interest in any Lot shall be the sole qualification for membership in the Association. Membership shall be appurtenant to and may not be separated from the ownership of any Lot. The Board may make reasonable rules regarding proof of ownership.

Section 3.2 Voting and Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots and may not be separated from ownership of any Lot which is

subject to assessment. Members shall be entitled to vote only on the issues, questions, actions, and matters which this Declaration, the Bylaws, or North Carolina law require be decided by a vote of the Members. Otherwise, the Association shall act through the Board and the officers of the association. There shall be one (1) class of Members with respect to voting rights:

Class A Members. Class A Members shall be all Owners. Class A Members shall be entitled to cast one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. However, the vote for such Lot shall be cast as the Owners thereof among themselves determine, but only one vote may be cast, and that vote shall not be split.

Section 3.3 Suspension of Voting Rights. Voting rights attributable to an ownership interest in a Lot shall be suspended, automatically and without requirement of notice or hearing, during any period that the Lot or the Owner thereof is delinquent in the payment of assessments or is in violation of the Project Documents.

Section 3.4 Association to Maintain Books and Records. The Association shall maintain at all times current copies of all Project Documents, all rules and regulations concerning the Property, as well as its own books, records and financial statements as required by N.C.G.S. § 47F-3-118(a) and the North Carolina Non-Profit Corporation Act.

Section 3.5 Management and Other Agreements. The Association may be professionally managed and may enter into such agreements for the management, operation, and administration of the Project, with the individual, firm or entity that the Association deems appropriate and in the best interest of the Project from time to time. Should the Association enter into a management agreement for the Property as permitted herein, the manager (hereinafter referred to as “Independent Manager”) shall obtain and always maintain Fidelity Insurance as provided in **Section 6.1(c)** of this Declaration.

Section 3.6 Liability Limitations. Neither any Member, nor the Board, nor any officers, directors, agents, or employees of any of them shall be personally liable for debts contracted for or otherwise incurred by the Association or for a tort of another Member, whether or not such other Member was acting on behalf of the Association or otherwise. Neither the Association, nor its directors, officers, agents, or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements, or portions thereof or for failure to repair or maintain the same. Neither the Association nor any other person, firm or association making repairs or providing maintenance shall be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements, or portions thereof. The Association shall, to the extent permitted by applicable law, indemnify and defend all members of the Board from and against any and all loss, cost, expense, damage, liability, claim, action or cause of action resulting from the performance by the Board of its duties and obligations, excepting for any loss, cost, expense, damage, liability, claim, action or cause of action resulting from the gross negligence or willful misconduct of the person(s) to be otherwise indemnified.

ARTICLE IV OPERATION OF THE PROPERTY AND ASSESSMENTS

Section 4.1 Adoption of Budget; Creation of Lien and Personal Obligation for Assessments. The Board shall, from time to time and at least annually, prepare and adopt a proposed

budget for the Project, determine the amount of expenditures payable by the Owners to meet the proposed budget (“Common Expenses”) and allocate and assess Common Expenses among the Owners, as provided in this **Article IV**. The Common Expenses shall include such amounts as the Board deems necessary for the operation and maintenance of the Property and shall include, without limitation, amounts for purposes set forth in **Section 4.2**, amounts for permitted reserves and such amounts as may be necessary to make up any deficit for outstanding Common Expenses for any previous year.

No proposed budget shall be effective until ratified as provided in N.C.G.S. § 47F-3-103(c). The budget shall be ratified unless rejected by a majority of the Lot Owners as provided in N.C.G.S. § 47F-3-103(c).

As permitted by N.C.G.S. § 47F-3-114, any surplus funds remaining after payment of or provision for Common Expenses shall be retained by the Association and held as reserves for the payment of future Common Expenses as the Board of Directors, in its sole discretion, deems appropriate.

Each Owner of any Lot or portion of the Property, by acceptance of a deed therefor, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments or charges of the Association, (2) Supplemental Annual Assessments, (3) Special Assessments, and (4) Special Individual Assessments (collectively, “Assessments”), such Assessments to be established and collected as hereinafter provided. Each Assessment, together with interest, costs, and reasonable attorneys’ fees, shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorneys’ fees, shall also be the personal financial obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent Assessments shall not pass to his successors in title (other than as a lien on the Lot) unless expressly assumed by them.

Section 4.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and other residents of the Property to the fullest extent authority or responsibility is granted to the Association hereunder including, and without limiting the generality of the foregoing, for: (i) the leasing, improvement, maintenance and operation of the Common Elements including, without limitation, that specified in **Section 2.3** and **Section 7.1**; (ii) the repair and maintenance of Lots to the extent the Association is required to repair and/or maintain Lots or improvements thereon under **Section 7.1**; (iii) provision of services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements, including but not limited to maintenance and landscaping; (iv) payment of insurance premiums for the insurance policies maintained by the Association in accordance with the Project Documents; (v) payment of charges incurred in connection with the street lights (if any), solid waste removal (if the Board deems it needed or desirable) and utilities serving the Property; (vi) payment of management fees to a property manager in accordance with **Section 3.5**; (vii) the employment of attorneys, architects, accountants and other professionals to represent or assist the Association deemed necessary or appropriate by the Board; (viii) the cost of utilities and fuel used in operating facilities in the Common Elements; (ix) the maintenance and upkeep of all Roadways in the Property until they are accepted by a governmental entity or agency, if ever; (x) the payment of charges and fees due and owing under any Bulk Service Contract(s) entered pursuant to **Section 5.3**; (xi) for reserves as permitted in **Section 2.4**; and (xii) to carry out all other purposes and duties of the Association and/or the Board as provided in the Project Documents.

Section 4.3 Payment of Annual Assessments; Due Dates and Maximums. Each Owner of a Lot shall pay to the Association Annual Assessments as hereinafter set forth.

(a) Annual Assessments provided for herein shall commence as to any Lot as of the date of the conveyance to an Owner of such Lot. The Annual Assessment amount for each and every year shall be an amount set by the Board of Directors, in accordance with the terms of this **Article IV**. Annual Assessments shall be due and payable either in full and in advance or in installments as determined by the Board. The Board shall fix the amount of the Annual Assessment as to each Lot for any calendar year and shall send written notice of the amount and due date of each installment of such Annual Assessment to each Owner at least thirty (30) days prior to the due date for payment of the assessment or the first installment thereof; provided, however, the failure of the Association to send, or of an Owner to receive, such notice shall not relieve any Owner of the obligation to pay Annual Assessments.

(c) The Maximum Annual Assessment and Annual Assessment amounts shall be set as follows:

(i) The Maximum Annual Assessment shall be equal to the amount of the actual Annual Assessment set and established by the Board as provided in Subsection (a) above for the preceding year plus ten percent (10%). In each subsequent calendar year, the Maximum Annual Assessment may be increased by the Board (without any vote of or approval from the Members) by an amount equal to the previous year's Maximum Annual Assessment times the greater of (i) ten percent (10%) or (ii) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84 = 100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then the index most similar to the CPI published by the United States Government indicating changes in the cost of living shall be used.

(ii) The Maximum Annual Assessment applicable to each Lot may be increased above the amount set forth in Subparagraph (i) of this **Section 4.3(c)** by a vote of a majority of the votes appurtenant to the Lots which are then subject to this Declaration.

(iii) The Board may fix the Annual Assessment applicable to each Lot in any amount which does not exceed the Maximum Annual Assessment established as provided in and modified pursuant to Subparagraphs (i) and (ii) of this **Section 4.3(c)**. If the Board levies an Annual Assessment which is less than the Maximum Annual Assessment for any calendar year and later determines during that calendar year that any of the responsibilities, duties or functions of the Association cannot be funded by such lesser assessment, the Board may levy a Supplemental Annual Assessment, provided that the sum of the Annual and Supplemental Annual Assessments for any year do not exceed the applicable Maximum Annual Assessment for such year unless approved as specified in Subparagraph (c).

(d) With respect to any Lot conveyed to any owner during the calendar year, the amount of the Annual Assessment applicable to such Lot for the installment period in which such closing occurs shall be prorated between the buyer and seller thereof as of the date of closing of such conveyance.

Section 4.4 Special Assessments. In addition to the Annual Assessments authorized above, the Association may levy a special assessment ("Special Assessment") for the purpose of defraying, in whole or in part, the cost of (i) the construction of any Common Elements improvements or (ii) the reconstruction, repair or replacement of the Common Elements, including any improvements located

thereon or improvements on Lots which the Association is expressly required to repair and maintain under **Section 7.1**, if any, provided that all Special Assessments must be approved by Members holding at least sixty-seven percent (67%) of the votes appurtenant to the Lots which are then subject to this Declaration.

Section 4.5 Special Individual Assessments. In addition to the Annual Assessments and Special Assessments authorized above, the Board shall have the power to levy a special assessment applicable to any particular Owner(s) (“Special Individual Assessment”) (i) for the purpose of paying for the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Elements, including any improvements located thereon, which is occasioned by any act or omission of such Owner(s), members of such Owner’s family or such Owner’s agents, guests, employees, tenants or invitees and not the result of ordinary wear and tear, (ii) for payment of costs incurred by the Association to bring any Lot into compliance with the Project Documents, including, without limitation, the Community Wide Standard provided for in **Section 7.2**; or (iii) for payment of fines, penalties or other charges imposed against any particular Owner related to such Owner’s failure to comply with the terms and provisions of this Declaration or the Project Documents. The due date and payment terms (if any) for any Special Individual Assessment levied shall be fixed by the Board. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the amount and due date of such Special Individual Assessment to the affected Owner(s) at least thirty (30) days prior to the date such Special Individual Assessment is due.

Section 4.6 Allocation of Assessments and Common Expense Responsibilities. Except as provided herein, Annual Assessments, Supplemental Annual Assessments and Special Assessments levied by the Association shall be assessed equally to and against all Lots. Notwithstanding the forgoing and as permitted under N.C.G.S. § 47F-3-115(c), the Board of Directors, in its discretion, may assess any Common Expense or portion thereof benefiting fewer than all of the Lots to and against the Lot or Lots benefitted. Special Individual Assessments shall be assessed to and against the Lot(s) owned by the Owner(s) against whom they are levied.

Section 4.7 Effect of Nonpayment of Assessments; Remedies of the Association. If any Assessment, or installment thereof, is not paid within thirty (30) days after its due date, the Board may, at its option and without further notice, declare the entire unpaid Assessment immediately due and payable. Unpaid Assessments shall bear interest from and after the due date at the rate of eighteen percent (18%) per annum, not to exceed, however, the maximum rate permitted by law. In addition, the Association may impose a charge for late payment of any Assessment up to but not exceeding \$45.00 per month, which late charge may be imposed once in any month during which any Assessment, interest, late charge, or other previous charge (or any portion thereof) remains unpaid. The Association shall also be entitled to recover fees and penalties for returned checks as permitted in N.C.G.S. §6-21.3 and N.C.G.S. §25-3-506 and any administrative/collection service fees charged to the Association by its management company or any third party agent providing collection services. Interest, late charges, administrative/collection service fees, returned check fees as well as reasonable attorney fees and costs shall be added to and collectible with and in the same manner as Assessments. Assessments levied and late charges, administrative/collection service fees, interest, returned check fees, attorney’s fees and costs allowed herein shall be the personal obligation of each Owner and a continuing lien upon the Owner’s Lot. The Association’s lien shall be superior to all other liens and encumbrances on the Owner’s Lot, except for (a) liens for ad valorem taxes or (b) liens for all sums unpaid on a Mortgage.

The Association may enforce Assessment obligations as permitted by law, including, without limitation, by filing and foreclosing a claim of lien in accordance with the procedures set forth in N.C.G.S. § 47F-3-116, and/or by bringing an action at law against the Owner personally obligated to pay the assessment. Interest, late charges and reasonable attorneys' fees and costs of such action or foreclosure shall be added to the amount of such Assessment. Each Owner, by his acceptance of a deed to a Lot, expressly grants to and vests in the Association and its agents the right and power to file a claim of lien and to bring such action or foreclosure. Foreclosure may be accomplished in an action brought in the name of the Association in the same manner that a foreclosure of a mortgage or deed of trust would be brought under Chapter 45 of the North Carolina General Statutes, or as otherwise expressly provided by law, and each Owner grants to the Association the right to foreclose any such charge or lien under power of sale. The Association, acting on behalf of the Owners, shall have the power to bid on any Lot and to acquire, hold, lease, mortgage and/or convey the same. **NO OWNER MAY WAIVE OR OTHERWISE ESCAPE LIABILITY FOR THE ASSESSMENTS PROVIDED FOR HEREIN BY NON-USE OF THE COMMON ELEMENTS, BY REJECTION OF ASSOCIATION SERVICES, OR BY ABANDONMENT OF HIS LOT.**

During any period in which an Owner is in default in the payment of any installment of an Assessment levied by the Association, the voting rights of the Owner in the Association, the Owner's right to the use of the Common Elements and/or any other services, privileges or facilities which are provided by the Association (except the right of access to the Owner's Lot) are automatically suspended without the necessity of any notice, hearing or other formal process until such Assessment and all related fees and charges are paid in full. During any period in which an Owner is in default in the payment of any installment of an Assessment levied by the Association, the Board may also notify the owner and holder of any Mortgage of a delinquency relating to the Lot encumbered by that Mortgage.

Section 4.8 Exempt Property. The following parts of the Property shall be exempt from assessment by the Association: (a) the Roadways; (b) portions of the Property owned by the Association; and (c) any part of the Property dedicated to and accepted by any public or governmental authority (the recording of this Declaration shall in no way be deemed a dedication of, or an offer to dedicate, any part of the Property to any such authority).

Section 4.9 Voluntary Conveyance; Estoppels. Except as provided in **Section 4.8**, the lien for Assessments of the Association created in this **Article V** shall not be affected by any conveyance of a Lot and shall remain a continuing charge on that Lot and a continuing lien which may be foreclosed as provided in **Section 4.7**. Any grantee in a voluntary conveyance of any Lot shall be entitled to a statement from the Board pursuant to N.C.G.S. § 47F-3-118(b), setting forth the amount of the unpaid assessments due the Association with respect to the Lot and such grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid Assessments made by the Association against the grantor in excess of the amount set forth in that statement.

Section 4.10 Fee Based Services and Access Authorized. The Association may, in its discretion, charge user fees for services or access to portions of the Common Elements as permitted under N.C.G.S. § 47F-3-102(10) and may establish terms and conditions for payment of those user fees. User fees charged shall be in addition to Assessments levied and payable under this Article.

Section 4.11 Payments by Owners. In the event a payment is tendered that is less than the total due and owing by the Owner to the Association, the partial payments shall be applied to oldest charges owed first whether those charges are assessments, fines, interest, late charges or other fees or

charges authorized by law or in the declaration and regardless of any request or designation made by the Owner at the time the payment is made. At any time an Owner fails to pay all amounts due and owing on or before the date payment is due, the Association may, in its discretion, reject and return payments that are insufficient to pay the balance due in full and/or may require that payments thereafter be made in certified funds or other form.

ARTICLE V UTILITIES

Section 5.1 Water System. Every Lot shall be connected to a public utility water system.

Section 5.2 Sewage Disposal System. Every Lot shall be connected to a public utility sewage disposal system.

Section 5.3 Bulk Services and Bulk Service Contract(s). The Association may contract with third persons or entities for the provision of bulk services to the Project for the benefit of the Owners, including, without limitation, trash collection or recycling services, as the Board of Directors of the Association, acting in its or their sole discretion, deem reasonable and appropriate from time to time ("Bulk Service Contract(s)"). Payments due and owing under any Bulk Service Contracts shall be paid using Assessments levied and collected as provided in Article V hereof and no Owner shall be permitted to exempt him/herself from any such Assessment by non-use of or refusal to accept any services which are contracted for in any Bulk Service Contract.

Bulk Service Contracts for the Project may be entered into in the name of the Association. Each Owner acknowledges that interruptions in services provided pursuant to Bulk Service Contracts will occur from time to time. The Association shall not be liable for and shall not be obligated to provide any Owner or other person with any compensation, or refund, rebate, or offset of any applicable fee(s) or Assessment, as a result of any interruption in services, regardless of whether or not such interruption is caused by reasons which are within the Association's or the service provider's control.

ARTICLE VI INSURANCE AND RECONSTRUCTION

Section 6.1 Association Insurance. The Association shall procure and maintain, or cause to be maintained, insurance in accordance with the following provisions:

(a) Property Insurance. The Association shall obtain and maintain at all times a policy or policies of property insurance covering all Common Elements and all improvements located thereon in an amount not less than one hundred percent (100%) of the replacement cost of such improvements at the time such insurance is purchased and at the time of each renewal thereof, exclusive of the costs of land, excavation, paving, foundations, and other normally excluded items. The Association shall only be required to provide Property Insurance covering the Roadways and improvements thereon (i) during any period that the Association is responsible for maintaining the Roadway or (ii) if the Roadways are private. Said insurance may include commercially reasonable deductibles (including percentage loss and/or fixed dollar deductibles) as the Board, acting in its sole discretion, determines are reasonable and appropriate from time to time; provided, however, that minimum coverage required by N.C.G.S. § 47F-

3-113 must be maintained at all times. The Board shall periodically review the insurance coverage required herein and determine the current replacement cost of such improvements, including, without limitation, fixtures, personal property and supplies. Such coverage shall provide protection against loss or damage by fire or other hazards covered by a standard extended coverage endorsement, windstorm and water damage, vandalism and malicious damage and all perils covered by a standard "all risk" endorsement and (if reasonably available) shall contain the following provisions:

- (1) standard "Agreed Amount" and "Inflation Guard" endorsements;
- (2) construction code endorsements if the Common Elements becomes subject to construction code provisions which would require changes to undamaged portions of any building thereby imposing significant costs in the event of partial destruction of such building by an insured peril;
- (3) a waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent or employee of the Association, the Owners and their employees, agents tenants and invitees;
- (4) a provision that the coverage will not be prejudiced by the act or neglect of one or more Owners when said act or neglect is not within the control of the Association or by any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control; and
- (5) a provision that coverage cannot be canceled, invalidated, or suspended on account of the conduct of any director, officer, or employee of the Association (i) without prior demand in writing that the Association cure the defect, and (ii) the allowance of a reasonable time thereafter within which the defect may be cured.

(b) Liability Insurance. The Association shall obtain and maintain policies of general liability insurance and umbrella liability insurance in such limits as the Association may, from time to time, determine, covering the Association for and against potential liability arising out of the operation, use, ownership, maintenance, or repair of the Common Elements. The liability insurance and umbrella policies shall (if reasonably available) include endorsements covering cross liability claims of one insured against another, including the liability of the Owners as a group to a single Owner, and shall provide that they may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the Association and to all additional insureds. The Board shall review such liability and umbrella liability limits periodically.

(c) Fidelity Insurance. The Association shall procure and maintain, or cause to be maintained, a policy or policies of insurance coverage to protect against dishonest acts on the part of officers, directors, volunteers and employees of the Association and any other persons who handle or are responsible for the handling of funds of the Association. Any Independent Manager shall also acquire and maintain fidelity insurance as required herein and under **Section 3.6**. Any such fidelity insurance policy must name the Association as the named insured and shall be written in an amount as may be determined by the Board; provided that the amount of fidelity insurance coverage obtained and maintained as required herein shall not be less than one-half (1/2) the total Annual Assessments levied during the previous year plus the total of all reserve funds, if any.

(d) Other Insurance. The Board, or its duly authorized agent, shall have the authority to and shall obtain and maintain in effect such other insurance coverages as the Board shall determine from time to time to be desirable, including, without limitation, directors, and officers liability insurance.

(e) Insurance Unavailable. In the event the insurance described in Subsections (a) through (c) is not reasonably available, the Association promptly shall cause notice of that fact to be hand-delivered or sent by United States first class mail to all Owners. For purposes of this subsection, insurance will be deemed “not reasonably available” if the cost of that insurance is prohibitive in light of the Association’s budget and available resources. In the event the Association determines any such insurance to be “not reasonably available,” it shall take reasonable steps to obtain insurance for the benefit of the Association and the Owners which is as closely equivalent to the insurance coverage required in Subsections (a) through (c) that is reasonably available.

Section 6.2 Premiums and Deductibles. Premiums upon insurance policies purchased by the Association, and any amounts paid as a result of a deductible, shall be paid by the Association as a Common Expense of the Association, provided, however, that deductibles and/or expenses paid or incurred by the Association as a result of the negligent or intentional act or omission of any Owner, or that of his agents, guests, invitees or family members, shall be charged to and paid by the Owner as a Special Individual Assessment pursuant to **Section 4.5**. All such premiums shall be paid by the Association at least thirty (30) days prior to the expiration date of such policies.

Section 6.3 General Standards. All insurance policies maintained by the Association under this **Article VII** shall be written with a company or companies licensed to do business in the State of North Carolina and having, at the time of the policy inception, an A.M. Best Company Financial Rating of “A-” or better. All insurance policies shall be written for the benefit of the Association and shall be issued in the name of and provide that all proceeds thereof shall be payable to the Association. Notwithstanding any of the foregoing provisions and requirements relating to insurance, the Association’s authorized representative who has the authority to negotiate losses under any policy providing such insurance may be named as an insured.

Section 6.4 Insurance Proceeds. Subject to any requirements or limitations imposed by N.C.G.S. § 47F-3-113, the Association shall use the net proceeds of property insurance to repair and/or replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of property and casualty insurance paid to the Association remaining after satisfactory completion of repair and replacement shall be retained by the Association. If the insurance proceeds received by the Association are insufficient to reimburse, to repair and/or replace any damage or destruction to person or property, the Board may levy a Special Assessment or Special Individual Assessment, as appropriate under the circumstances, to cover the deficiency.

Section 6.5 Owner’s Property. By virtue of taking title to a Lot within the Project, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of such Lot or any House or other property located thereon. The Association shall not be liable in any manner for the safekeeping or condition of any personal property belonging to or used by any Owner or his family, tenants, guests, or invitees, located on or used at the Common Elements or for any damage or loss to any personal property of any Owner, his family, tenants, guests, or invitees located on or used at the Common Elements. Except as specifically provided herein, each Owner shall be solely responsible for his Lot including, without limitation, the House, and all other improvements thereon, and his personal property and for any damage thereto or loss thereof, and shall be responsible for the purchase of, at such

Owner's sole cost and expense, any liability or other insurance for damage to or loss of such property. Owner shall provide the Association with evidence that the insurance required herein is in place whenever requested by the Association.

Section 6.6 FNMA, FHA, or VA Insurance Requirements. Notwithstanding any other provision contained in this Article or this Declaration, the Association is authorized to obtain and maintain insurance sufficient to satisfy the insurance requirements of the Federal National Mortgage Association ("FNMA"), the Federal Housing Administration ("FHA") and the Veteran's Administration ("VA") applicable to the Project, as those requirements and standards may be modified or changed from time to time.

ARTICLE VII MAINTENANCE OF PROPERTY

Section 7.1 Maintenance by Association. The Association shall be responsible for the operation, maintenance and repair of the Common Elements as provided in **Section 2.3** and for the maintenance and repair of all Roadways until they are accepted for maintenance by a governmental entity or agency. In addition, the Association may repair, maintain and/or improve land located outside the Property (including, without limitation, public rights-of-way) to the extent the Board of Directors determines in its sole discretion that the repair, maintenance, or improvement of the land is in the best interests of the Association or its Members. Notwithstanding any references or notations appearing on the Plat, the Association shall only be responsible for the maintenance of easements located on the Common Elements except to the extent the Association is assigned maintenance responsibility for easements on Lots in this Declaration. Notwithstanding the foregoing, the Association shall not be responsible for the maintenance or repair of damage caused, in whole or in part, by the negligent or intentional act or omission of any Owner, or that of his agents, invitees, guests or family members and any costs or expenses incurred by the Association for such maintenance or repairs shall be the responsibility of that Owner and may be charged to that Owner as a Special Individual Assessment under **Section 4.5**.

Section 7.2 Maintenance by Owners; Establishment of Community-Wide Standard. The Owner of any Lot, shall maintain at such Owner's sole cost and expense, (i) the Lot(s) owned by such Owner, including the House and any other improvements located thereon, (ii) the area between any Lot line and the paved or improved portion of any Roadway right of way adjacent to the Lot(s) (including any vegetation, drainage swales, landscaping and street trees but excluding the sidewalks) and (iii) all easements located on the Lots in compliance with the covenants, conditions and restrictions contained in this Declaration, the Community-Wide Standard ("CWS"), and all applicable governmental regulations and requirements; provided, however, that Owners of Lots shall have no responsibility for the maintenance of their Lot or the House or improvements constructed thereon or the adjacent Roadway right-of-way to the limited extent that specific maintenance and repair responsibilities are expressly assigned to the Association in this Declaration.

The CWS shall be established and may be expanded, modified, and amended by the Board as provided below. At a minimum, the CWS shall require the following:

- (a) Prompt removal of all litter, trash, refuse and waste;

- (b) Prompt removal of trash, refuse, debris and noxious weeds from all lawns, shrub beds, improved natural areas and landscaping;
- (c) Full and continuous compliance with all governmental health and police requirements;
- (d) Pruning of all trees and shrubs at least once every six (6) months in order to keep vegetation neatly and evenly trimmed;
- (e) Mowing of all lawn and all turf areas for which Owner is responsible, if any, so that grass does not exceed six (6) inches in height;
- (f) Regular watering of the Lot to keep lawn and vegetation alive;
- (g) All exterior lighting and mechanical facilities must be kept in working order at all times;
- (h) Prompt removal and/or replacement of any dead plant material;
- (i) Prompt repair of cracked, broken, or damaged areas in parking areas and driveways and to prompt removal of vegetation from parking areas and driveways;
- (j) Prompt repainting, refinishing, and/or repair of any part of the exterior of the House and all other improvements on the Lot that fades, chips, cracks, peels, discolors or otherwise deteriorates;
- (k) Prompt repair or replacement of any damage to the House and all other improvements on the Lot. If any House or other improvement on a Lot is damaged or destroyed by fire or other casualty, then the Owner of the Lot on which the damaged House or improvement is situated must repair and restore such damage (with the appropriate architectural approval as provided herein) or, in the alternative, remove the damaged House or improvement and restore the Lot to its condition existing prior to the construction of such House or improvement within six (6) months following the date such damage or destruction occurs;
- (l) Maintenance of all portions of the Lot which are not improved by an impervious surface or a structure with approved turf, vegetation, or groundcover;
- (m) Barren earth shall not be exposed anywhere on a Lot;
- (n) Prompt removal and replacement of any diseased, dead or dying plants, turf, shrubs, and/or trees (regardless of size);
- (o) Prompt repair or replacement of any exterior building surface or component on the House or any other improvement on the Lot, which is missing, broken or otherwise in a state of disrepair including, but not limited to, exterior cleaning or power washing to remove mold, mildew, dirt, etc.;
- (p) Items to enhance the outdoor usability of a House, or items used to decorate a House, shall not have obvious missing parts, be broken, or otherwise be in a state of disrepair and must be immediately repaired or removed from sight until repaired. Examples of such items would be outdoor furniture (which must be appropriate for outdoor use), flower planters, patio umbrellas, banners, flags, and holiday decorations (which must be removed no later than 30 days after the holiday); and

(q) Decks or other natural wood improvements, such as pergolas and arbors, shall not have any unprotected exposed wood.

For purposes of the CWS, any requirement that an Owner must take “prompt” action shall be understood to require that the Owner take the required action within ten (10) days after the Association mails written notice of the need for the required action to the Owner at his/her address of record with the Association.

In addition to (a) – (q) above, the Board may adopt and establish other standards and requirements in a separate CWS document. The CWS may be modified, expanded, or amended by the Board from time to time without any approval from the Members. If modified, no separate CWS shall be recorded but shall be made available to all members either electronically or by first class mail if any changes are made in the future. The CWS shall apply to each Lot only upon the conveyance of such Lot to an Owner who acquires the House and Lot for residential use.

If an Owner of any Lot has failed in any of the duties or responsibilities of such Owner as set forth herein, then the Board may give such Owner written notice of such failure and such Owner must perform the care and maintenance required or otherwise perform the duties and responsibilities of such Owner as described herein within ten (10) days after receiving such notice. Notice shall be deemed to have been received upon deposit in an official depository of the United States mail, addressed to the party to whom it is intended to be delivered, and sent by certified mail, return receipt requested or when sent by email to the Owner’s email address. Provided, however, this cure period may be extended for a time not to exceed sixty (60) days so long as the Owner shall have commenced action to cure and diligently pursues completion of the same. If the Owner fails to cure the nonconformity or violation within the period specified, the Association may enter the Lot and cure the nonconformity or violation, and all costs and expenses incurred by the Association plus an additional administrative fee equal to twenty-five (25%) percent of the total costs and expenses incurred may be charged to the Owner and against the Lot as a Special Individual Assessment pursuant to **Section 4.5**. The Association’s rights under this paragraph are in addition to the Association’s power and authority to impose administrative fines and to suspend voting rights, privileges and/or services for violations as provided herein and in the **Act**.

In the event the Association incurs costs or expenses in connection with the investigation of conditions which require maintenance or repair, and it is determined that the repair and maintenance needed is the responsibility of the Owner, the Association may recover those investigatory costs and expenses from the responsible Owner as a Special Individual Assessment.

ARTICLE VIII ARCHITECTURAL AND LANDSCAPING CONTROL

Section 8.1 General. No Improvements (as defined in **Section 8.5** below), including, without limitation, site preparation on any Lot, change in grade, drainage, or slope of any Lot, or erection, alteration or addition to or of any building situated upon the Property, erection of, or changes or additions of or to fences, walls and other structures shall be commenced, erected, installed or maintained on any portion of the Property or be changed, modified, altered, enlarged or expanded until: (a) the Reviewer (as defined herein) has received and reviewed the plans and specifications therefor and the location,

materials, size and design of such Improvements and has given its **written approval** in accordance with the terms, requirements and procedures set forth in this Article and any Architectural and Landscape Guidelines.

Approval of an Improvement may be conditioned upon commencement and/or completion within specified periods or by specified dates. If no specific period is specified, every Improvement must be commenced within six (6) months of the date approved and if not, a new written approval must be requested and obtained as provided herein.

Section 8.2 Designation of the Reviewer. The Board shall act as Reviewer unless the Board appoints, in its discretion, an Architectural Review Board (“ARB”) for that purpose. The ARB, if appointed, shall be composed of at least three (3) and not more than seven (7) individuals, the exact number of members of the ARB to be designated from time to time by the Board.

The decision of the Reviewer shall be final and binding in all respects except that in the event the Reviewer or ARB makes a decision, the Owner may appeal that decision to the Board. In the event of an appeal, the decision of the Board shall be final and binding in all respects. In the case of decisions made by the Board or ARB acting as Reviewer, all such decisions shall be by majority vote. In its capacity as Reviewer, neither the Board nor the ARB shall be required to observe corporate formalities and may informally vote on and/or make decisions, whether electronically or otherwise, on requests submitted; provided, however, that a written record shall be made of decisions made on requests submitted.

The members of the ARB must be Owners. In the event of the death or resignation of any member of the ARB, the Board shall have full authority to designate and appoint a successor. Members of the ARB may be removed and replaced at any time, with or without cause, and without prior notice, by the Board.

Section 8.3 Professional Services. Intentionally deleted.

Section 8.4 Architectural and Landscape Guidelines.

(a) The Reviewer may, from time to time, publish and promulgate architectural and design guidelines (the “Architectural Guidelines”). The Architectural Guidelines shall be explanatory and illustrative of the general intent of the development of the Property and are intended to be a guide to assist Owners in preparing and submitting applications, plans, specifications, and supporting information for proposed Improvements and as a reference to assist the Reviewer in reviewing applications, plans, specifications, and supporting information for proposed Improvements, excluding only landscape Improvements, which are addressed in **Section 8.4(b)** below. The Architectural Guidelines may set out, among other things, the procedures for submission, review and approval of plans and specifications for the construction of non-landscape Improvements to and by the Reviewer. The Reviewer is authorized to request the submission of samples of proposed construction materials. **To the extent standards, requirements, methods, and procedures are established in the Architectural Guidelines, they shall be binding upon and must be complied with by all Owners and their contractors and sub-contractors and shall be assumed to be incorporated into any written approval issued pursuant to this Article unless expressly varied in writing by the Reviewer. The Architectural Guidelines may be revised and amended at any time by the Reviewer, in its sole discretion.**

(b) The Reviewer may, from time to time, publish and promulgate landscape guidelines (the “Landscape Guidelines”). The Landscape Guidelines shall be explanatory and illustrative of the general intent of the landscaping of the Property and are intended as a guide to assist Owners in preparing and submitting applications, plans, specifications, and supporting information for proposed Improvements and as a reference to assist the Reviewer in reviewing applications, plans, specifications, and supporting information for proposed Improvements. The Landscape Guidelines may set out, among other things, the procedures for submission, review and approval of landscape plans and specifications to the Reviewer. In addition, the Landscape Guidelines may establish approved standards, methods and procedures for landscaping, landscape management and landscape maintenance in the Property, including removal of trees. **To the extent standards, requirements, methods, and procedures are established in the Landscape Guidelines, they shall be binding upon and must be complied with by all Owners and their contractors and sub-contractors and shall be assumed to be incorporated into any written approval issued pursuant to the provisions of this Article unless expressly varied in writing by the Reviewer. The Landscape Guidelines may be revised and amended at any time by the Reviewer, in its sole discretion.**

(c) The Reviewer is also hereby authorized to publish and promulgate from time to time, and to revise and amend at any time, in its sole discretion, construction and/or installation rules to be followed by all Owners, contractors and installers performing work or constructing or installing Improvements (including landscape Improvements) on the Property.

(d) The Architectural Guidelines, the Landscape Guidelines and the construction and installation rules shall herein collectively be referred to as the “Architectural and Landscape Guidelines” or the “Guidelines.” The Reviewer may issue and amend the Architectural and Landscape Guidelines from time to time and may publish and promulgate different Architectural and Landscape Guidelines for different Phases, sections, or portions of the Property.

Section 8.5 Definition of “Improvements”. The terms “Improvement” or “Improvements” shall mean and include the House and any and all changes or additions that are made to a Lot or that are attached or affixed to a Lot, including, without limitation: (i) all structures and buildings (including any exterior devices attached to or separate from buildings, such as heating and air conditioning equipment, exterior security devices, solar heating and collection devices, etc.); (ii)) large or extensive exterior lights and illumination, but excluding small decorative lighting such as porch or garage lights; (iii) roofed structures; (iv) parking or paved areas; (v) fences, including “invisible” fencing; (vi) pet “runs,” lines and similar tethers or enclosures; (vii) walls; (viii) irrigation equipment, apparatus and systems; (ix) landscaping (including cutting or removal of trees); (x) poles; (xi) driveways; (xii) ponds, lakes and other water features; (xiii) changes in grade or slope; (xiv) site preparation; (xv) swimming pools, hot tubs and Jacuzzis (which may not be located in the front yard of any Lot); (xvi) recreation equipment (permanent, semi-permanent or temporary) including, without limitation, tennis courts, tree houses, basketball goals, skateboard ramps and other sports or play apparatus; (xvii) signs, flags and banners, and the poles and structures from which they are hung or flown; and (xviii) changes in any exterior color, design or shape. Antennae and satellite dishes one meter or less in diameter are specifically made subject to regulation and restriction to the fullest extent permitted under the Telecommunications Act of 1996, as amended. The forgoing definition includes both original Improvement(s) and all later changes or additions to Improvement(s). The definition does not, however, include the replacement or repair of Improvement(s) previously approved by the Reviewer, provided that such replacement or repair does not change any exterior color, material, design, or appearance from that which was previously approved by the Reviewer.

Section 8.6 Enforcement/Construction Compliance Deposit.

(a) The architectural control provisions contained in this Article are to facilitate control of the architectural design, construction, installation and placement of all Improvements and landscaping, to establish quality standards for construction, installation, and related activity in the Project, and to help preserve property values within the Project. All Owners, by purchasing property subject to this Declaration, acknowledge that a violation of any such provisions could result in irreparable harm and damage to other Owners of property in the Project, and to the values of their respective properties in the Project, a monetary measure of which harm and damage would be difficult to establish. Accordingly, the Association shall have the specific right (but not the obligation) to enforce and/or to prevent any violation of the provisions contained in this **Article VIII** and to enforce rulings and decisions of the Reviewer by a proceeding at law and/or in equity against the person or persons violating or attempting to violate any such provision, ruling or decision and/or through an administrative action as permitted by the Act, including the possible imposition of fines or suspension of rights and/or privileges. The Reviewer, the Board and any agent or member thereof is hereby granted the right of entry and inspection upon any portion of the Property for the purpose of determining whether there exists any Improvement which is not approved or which violates the terms of any approval given by the Reviewer, the terms of the Architectural and Landscape Guidelines or the Project Documents.

(b) As to any nonconforming or unapproved Improvements, the Association may require any Owner to restore such Owner's Lot and/or Improvements to the condition existing prior to the construction or installation thereof (including, without limitation, the demolition and removal of any unapproved Improvements) if such Improvements were commenced or constructed in violation of this Article. In addition, the Association may, but has no obligation to, cause such restoration, demolition, and removal to be performed and to levy the amount of the cost thereof as a Special Individual Assessment against the Lot or portion of the Property upon which such unapproved or nonconforming Improvements were commenced or constructed. In the event that it becomes necessary for the Association to file a civil action or to resort to any private dispute resolution process, to determine the propriety of any constructed Improvement, to remove any unapproved Improvement or otherwise to remedy any violation of this Article, the Association shall be entitled to recover any court costs, attorneys' fees and expenses incurred by the Association and/or the Reviewer in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment against the Lot or other portion of the Property upon which such Improvement was commenced or constructed.

Section 8.7 Failure of Reviewer to Act. WRITTEN APPROVAL AS SPECIFIED IN THIS ARTICLE SHALL BE REQUIRED IN EVERY CASE. No failure or delay by the Reviewer to approve or disapprove any plans and specifications and other submittals or to reject them as being inadequate or unacceptable shall be deemed or construed to be an acceptance or approval thereof. No verbal or oral statement or representation by any person or entity shall bind the Board, the Association, or the Reviewer. Further, the Reviewer has no right or power to waive or grant any variances relating to any Use Restrictions in Article XI or other mandatory requirements specified in this Declaration. If plans and specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Reviewer may reject them as being inadequate or may approve or disapprove them in part, either conditionally or unconditionally, and reject or approve the balance. The Reviewer will respond within thirty (30) days of receipt of the completed submission in order to approve, deny or request additional information.

Section 8.8 Variances. Subject to the limitations set forth herein and in the preceding section and upon submission of a written request, the Reviewer may, from time to time and in its sole and unfettered discretion, permit Owners to construct, erect or install Improvements which are at variance with architectural or landscaping requirements or provisions that might be otherwise applicable. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community and shall not materially change the scheme of standards, restrictions and requirements herein set forth. A written request for a variance shall be deemed to be disapproved unless and until the Reviewer has expressly approved the request in writing. Neither the Reviewer nor any member or agent thereof shall be liable to any Owner for any claims, causes of action, or damages arising out of the grant or denial of any variance to any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from all other such requests. The action of or decision by the Reviewer with respect to any variance request shall not estop or prevent the Reviewer from taking different action or rendering a different decision on any variance request subsequently received. The grant of a variance to any Owner shall not constitute a waiver of the Reviewer's right to strictly enforce any covenant, restriction and/or standard against any other Owner. **Nothing herein shall authorize the Reviewer to grant a variance with respect to the Use Restrictions set forth in Article X or other mandatory requirements specified in this Declaration, if any.**

Section 8.9 Limitation of Liability. Neither the Reviewer nor any member or agent thereof shall be liable for any claims, causes of action or damages (except where occasioned by willful misconduct of such Member) arising out of services performed or decisions made pursuant to this **Article VIII**. Neither the Reviewer, nor the members thereof, nor the Association, nor any officers, directors, members, employees, agents or affiliates of any of them, shall be liable for damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval of, or the failure to approve or disapprove, any plans and specifications. The approval of plans and specifications by the Reviewer shall not be deemed or construed as a representation or warranty of the Reviewer, or any officer, director, member, employee, agent or affiliate of any of them, (i) that Improvements constructed in accordance with such plans and specifications will comply with applicable zoning ordinances, building codes, or other governmental or quasi-governmental laws, ordinances, rules and regulations or (ii) as to the structural soundness, quality, durability, suitability, safety, fitness or proper functioning of Improvements constructed in accordance with such plans and specifications, and any responsibility or liability therefor is hereby expressly disclaimed. Every person who submits plans and specifications, and every Owner, agrees that he will not bring any action or suit against the Association, the Reviewer, the Board, or the officers, directors, members, employees, agents or affiliates of any of them, to recover any such damages and hereby releases, waives, and quitclaims all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

ARTICLE IX EASEMENTS

Section 9.1 Use of Common Elements. Subject to any limitation or restriction set forth in this Declaration (including rules and regulations made or amended under **Section 10.28**), the Common Elements are subject to a perpetual nonexclusive easement in favor of the Association and their

designees, the Owners and all their family members, guests, invitees and tenants, and appropriate governmental and quasi-governmental agencies to use the Common Elements for all proper and normal purposes including, but not limited to, ingress, egress and access for the furnishing of services and utilities and for such use of the facilities as the same are reasonably intended in accordance with the terms of this Declaration. If ingress or egress to any Lot or other portion of the Property is through any Common Elements, any conveyance or encumbrance of such areas is subject to this easement.

Section 9.2 Right-of-Way Over Roadways. The Association, its agents, employees, tenants, invitees, designees, successors and assigns, and each Owner of a Lot, their family members, tenants, guests, invitees, successors and assigns, and each Occupant of a Lot, and all governmental and quasi-governmental agencies and service entities having jurisdiction over the Property while engaged in their respective functions, are hereby granted a perpetual non-exclusive easement, license, right and privilege of passage and use, both pedestrian and vehicular, over and across the Roadways for the purpose of providing access, ingress and egress to and from, through and between the Property.

Section 9.3 Right of the Association to Enter Upon the Common Elements. The Association and all agents, employees or other designees of the Association are hereby granted an easement for ingress, egress and access to enter upon or over the Common Elements for the purposes of inspecting any construction, proposed construction, or improvements or fulfilling the rights, duties and responsibilities of ownership, administration, maintenance and repair of the Association, as appropriate. Such easement includes an easement in favor of the Association to enter upon the Common Elements now or hereafter created to use, repair, maintain and replace the same for the purposes for which they are initially designated. Notwithstanding the foregoing, nothing contained herein shall be interpreted as imposing any obligation upon the Association to maintain, repair, or construct improvements which an Owner is required to maintain, construct or repair.

Section 9.4 Easement for Encroachments. The Association, the Owners, their successors and assigns, and to the occupants of Lots, are granted easements for encroachments, to the extent necessary, in the event any portion of the improvements located on any portion of the Property now or hereafter encroaches upon any of the remaining portions of the Property as a result of minor inaccuracies in survey, construction or reconstruction, or due to settlement or movement. Any easements for encroachment shall include easements for the maintenance and use of the encroaching improvements in favor of the Association, the Owners and all their designees.

Section 9.5 Easements Appearing on the Plat. The Association, its successors and assigns, is granted any and all easements shown on the Plat, if any; provided, however, that the Association shall have no responsibility for the maintenance of any such easements except to the extent maintenance of the easement is expressly made the responsibility of the Association in this Declaration.

Section 9.6 Additional Easements for Utilities and Drainage.

(a) The Association may grant easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair and replace pipes; ducts; sewer lines; water lines; gas mains; telephone and television or cable television wires, cables and equipment; electrical conduits; and wires over, under, along and on any portion of the Common Elements or within the Roadways. Utilities purposes shall include, without limitation, lighting, irrigation, drainage, storm water management and solid waste disposal services and purposes. Further, the Association may grant such permits, licenses, and easements over the Common Elements for utilities, roads, and other purposes reasonably necessary

or useful in the discretion of the Board for the purpose of maintenance and operation of the Project. Notwithstanding the foregoing, no sewer lines, electrical lines, water lines or other utilities may be installed or relocated on the Property except as approved by the Board.

(b) Additionally, the Association, its successors and assigns, is hereby granted a non-exclusive easement and right-of-way over, under and along (i) a ten (10) foot strip of land adjacent to the front, side and rear boundary lines of all Lots within the Property and (ii) all easements appearing on the Plat and described in **Section 9.5** above, for the installation and maintenance of lines, conduits, pipes and other equipment necessary for furnishing electric power, gas, telephone service, cable service, water, irrigation, septic system, sanitary sewer and drainage facilities, storm drainage and/or other utilities, if any.

Section 9.7 Right to Assign Easements; Maintenance of Easement Areas. The Association shall have the right to assign and convey, in whole or in part, the easements reserved by it hereunder. The areas burdened by the easements and rights-of-way reserved by the Association on each Lot or other portion of the Property pursuant hereto, including any improvements in such areas, which are not expressly to be maintained by the Association or a public authority or utility, shall be maintained continuously by the Owner of such Lot or other portion of the Property.

Section 9.8 Right of Access. Every Owner grants a right of access to his Lot to the Board and any other person authorized by the Board (including, without limitation, the Independent Manager) for the purpose of making inspection of or correcting any condition originating in his Lot and for the purpose of performing installations, alterations or repairs to any portion of the Common Elements adjoining his Lot; provided, however, that such any such entry shall be requested in advance and be made at a time reasonably convenient to the Owner, except in the case of an emergency where no request shall be required and entry may be made at any time.

Section 9.9 Easements Over Lots to Perform Maintenance. The Association shall have an easement over each Lot for the purpose of performing any maintenance that the Association is required or permitted to perform under this Declaration.

Section 9.10 Emergency Access. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and all similar persons to enter upon the Property or any portion thereof which is now or hereafter may be made subject to this Declaration in the performance of their respective duties. The Association and its agents shall also have the right to enter the Lots and any improvements located thereon for the purpose of making any emergency repairs or replacements.

ARTICLE X USE RESTRICTIONS

Section 10.1 Residential Use Only. Each Owner shall use his Lot for residential purposes only and shall not permit his Lot to be used in any unlawful manner. The maximum number of residents for any Lot shall not exceed any maximum that applies to the Lot pursuant to any applicable governmental requirement, regulation, ordinance, or statute. For purposes of this Section, a person shall be presumed to be a “resident” in the Lot if they occupy the Lot overnight for ten (10) consecutive days

or for fourteen (14) days during any sixty (60) day period. Residency may otherwise be established by the Board by the totality of the circumstances. To the extent permitted by law, any Owner may use his Lot as a home office, provided, however, that such home office use (a) shall be ancillary to the residential use of the Lot, (b) does not generate any additional pedestrian or vehicular traffic to or from any Lot or the Common Elements, and (c) does not cause any disturbance of other Owners, residents, or occupants of the Property.

Without limiting the foregoing, no Lot or any portion of the Property shall be used for or as a "Residential Institution" except to the extent such use is expressly required to be allowed by law. For purposes of this paragraph, a "Residential Institution" shall mean and refer to a nursing home, child care center, boarding house, "half-way house," dependent living facility, adult care center, adult care home, family child care home, group home, residential day care, house of detention, reform school, asylum, or institution of a kindred character, or any structure to house, provide a residence for, or be occupied by three or more persons, unrelated by blood, marriage or adoption on a temporary or permanent basis.

Section 10.2 No Fly Zone. The operation of Unmanned Aircraft Systems (UAS) and Unmanned Aerial Vehicles (UAV), commonly known as drones, are (i) prohibited anywhere within the Property and within the air space above the Property from the surface to 400 feet above ground level ("No Fly Zone") and (ii) may only be flown in compliance with local, state and federal laws.

Section 10.3 Care and Maintenance. Each Owner shall: (a) maintain the Lot, the House and all improvements thereon as required by **Section 7.2**; (b) permit no unsafe, unsanitary, or hazardous conditions in or on his House and Lot; (c) comply with any and all obligations imposed upon Owners by applicable building and housing codes; and (d) neither deliberately nor negligently destroy, deface, damage, or remove any part of any House or Lot or the Common Elements, or knowingly permit any person to do so. If an Owner fails to comply with the standards or requirements of the Association relative to maintenance after written notice to do so, the Association shall have the right to undertake the necessary maintenance or repairs at the expense of the defaulting Owner, as provided in **Section 8.2**. For purposes of this section, "Lot" shall include all easements granted to or reserved for the Association during any period that the Association is using them or exercising their rights in or over them.

Section 10.4 HVAC Equipment. No air conditioning or heating equipment or apparatus shall be installed on the ground in front of or attached to any front wall of any House on a Lot. Window air conditioning units are expressly prohibited. If existing HVAC equipment is replaced or moved it may not be visible from the street.

Section 10.5 Exterior Lighting. Exterior lighting on Lots shall be subject to the applicable requirements and limitations in the Guidelines. Night lighting of recreational facilities on Lots is not permitted except to the extent expressly allowed by the Reviewer. All exterior lighting that is approved shall be configured, positioned, and directed (i) so that bulbs are not visible from any point outside the boundaries of the Lot where the lighting is installed, and (ii) so that they do not cast light beyond the boundaries of the Lot where the lighting is installed.

Section 10.6 Fences and Walls. No fence or wall (including those consisting of planted hedges, rows, or similar landscape barriers) shall be erected, placed, or maintained on any Lot except as approved by the Reviewer under **Article VIII**. No fence or wall shall be erected, placed, or installed in any location or manner that impacts, impedes, or hinders the flow of surface water. **Split rail and picket fencing may only be used in the rear of the Lot.** Adjacent lots that erect fencing shall be required to

share a common fence between the Lots. All fences and walls shall be maintained in a structurally sound and attractive manner and in compliance with the CWS. No fence or wall shall be erected on any Lot until the Reviewer under **Article VIII** has given its prior written approval of the color, size, design, materials and location for such fence or wall.

Section 10.7 Mail and Newspaper Boxes; House Numbers. Mailboxes must be securely anchored with no rusted areas and shall be painted and maintained so there is no faded or missing paint or dirt or debris on the mailbox. Numbers shall be clearly indicated on the mailbox. Any owner that needs to replace their mailbox may review the Guidelines for information on what replacements are permitted. Any replacement of the mailbox must be with Reviewer approval.

Section 10.8 Temporary Structures; Structure Materials. No residence or building of a temporary nature, including a construction trailer, shall be erected, or allowed to remain on any Lot, nor shall any metal, fiberglass, plastic or canvas tent, barn, carport, garage, utility building, storage building, or other metal, fiberglass, plastic, or canvas structure be erected on any Lot or attached to any building or structure except for one 8 X 10 storage shed on a Lot which may be installed with the approval of the Reviewer as provided herein.

Section 10.9 Sight Line Limitations. To the extent that governmental requirements do not impose a stricter standard, no fence, wall, hedge, tree, shrub or other planting which obstructs sight lines at elevations between two (2) and six (6) feet above Roadways shall be placed or permitted to remain on any corner Lot within the sight triangle areas shown on the Plat or if a sight triangle is not shown on the Plat at any intersection of two Roadways, within the triangular areas formed by (i) the two lines that run for a distance of ten (10) feet along the edge of the pavement of such Roadway from the point where the paved portions of the two Roadways intersect, and (ii) the straight line that connects the ending points of the lines described in (i). The same sight line limitations shall apply on any Lot within the triangular areas formed by (i) the lines that run from the point of intersection of (a) the edge of a Roadway's pavement and (b) the edge of the pavement of the driveway on such Lot for a distance of ten (10) feet along such Roadway pavement away from such driveway pavement, (ii) the line that runs from said point of intersection for a distance of ten (10) feet along such driveway pavement away from such Roadway pavement, and (iii) the straight line that connects the ending points of the lines described in the foregoing clauses (i) and (ii). No tree shall be permitted to remain within such triangular areas unless it is continuously maintained at an appropriate height to prevent any obstruction of sight lines.

Section 10.10 No Subdivision of Lots. No Lot shall be subdivided by sale, lease or otherwise without the prior written consent of the Board.

Section 10.11 Restricted Activities in Common Elements. There shall be no disturbance or obstruction of, nor any cutting of vegetation, dumping, digging, filling, destruction, or other waste upon the Common Elements. Nor shall anything be kept, stored, altered, constructed, planted, or removed therein without the prior written consent of the Board. The Association and all Owners shall strictly comply with any applicable restrictions or regulations that require portions of the Property to remain undisturbed or that subject any portion thereof to tree preservation, wetlands, BMP, and buffer requirements prohibiting or restricting any activities within those areas. Each Owner shall be liable to the Association for any damage to any Common Elements caused by the negligence or willful misconduct of the Owner or his family, tenants, guests, agents, employees, or invitees. Provided, however, the provisions in this paragraph shall not apply to the Association in connection with Association's activities in discharging its duties and responsibilities.

Section 10.12 Recreational and Other Equipment. No recreational equipment including, but not limited to, basketball backboards and hoops, trampolines, swing sets, tree houses, children's climbing or play apparatus and other equipment associated with either adult or juvenile leisure or recreation shall be attached to the exterior of any House or otherwise placed or kept on any Lot, except in the Rear Yard and as approved by the Reviewer. Provided, however, that basketball goals, backboards and hoops may be placed/installed at other locations if and as allowed in the Guidelines. Children's play toys and other moveable equipment of any type (such as lawn mowers, garden tools, etc.) shall be kept in the garage or the Rear Yard except when in use. Notwithstanding any of the foregoing, all recreational equipment shall be screened so as not to be visible from any Roadway, and all screening used must be approved by the Reviewer and the placement of all permanent recreational equipment must be approved in advance by the Reviewer.

Section 10.13 Vehicles, Parking and Storage.

(a) No vehicle of any size which transports flammable or explosive cargo may be parked or kept within the Property at any time. No vehicle that is not in a condition to be normally operated or that does not have a current registration and inspection sticker may be stored or situated on any Lot for more than thirty (30) days unless stored in an enclosed garage.

(b) Commercial-use vehicles and trucks not involved with construction activity on the Property and having a carrying capacity and/or size designation greater than or equal to three-fourths (3/4) of one ton (except 3/4 ton "dually" pick-up trucks which are expressly exempted from this sentence) shall not be permitted to park anywhere on the Property except inside of an enclosed garage. Notwithstanding anything else to the contrary, the Board may grant waivers or exemptions from this requirement as it, acting in its sole discretion, deems reasonable and appropriate.

(c) The Owner of each Lot will be responsible for providing, on such Owner's Lot and in compliance with any governmental requirements or limitations regarding impervious area, sufficient paved parking area for all vehicles normally parked and/or situated on or in regard to such Lot.

(d) No recreational vehicles or related equipment, including any boat, houseboat, trailer, motor home or "camper" vehicle may be maintained, stored, or kept on any portion of the Property for longer than 48 consecutive hours, except in enclosed garages or as permitted in writing by the Board.

(e) No vehicles of any type shall be parked, placed, or stored on any part of a Lot except (i) inside a garage, or (ii) on the driveway serving the Lot. Garage doors shall remain closed except when opened to allow a vehicle to enter or exit the garage. Vehicles parked in the driveway shall not be parked in any manner which allows any portion of the parked vehicle to encroach upon or obstruct (to any degree) any portion of the sidewalk or adjacent road right-of-way.

(f) No construction office trailers may be placed, erected, or allowed to remain on any Lots during construction, except as approved in writing by the Reviewer under **Article VIII**. Other construction vehicles (trucks, vans, cars, construction equipment, equipment trailers, etc.) may be parked or placed on the Property (including any Lot or Roadway) only in accordance with such rules as may be established by the Board.

(g) Unlicensed, non-electric equipment or vehicles shall not be operated on the Property; provided, however, lawnmowers, lawn equipment and lawn and garden tractors are permitted. Owner shall provide the Association, upon request, with documentation verifying the licensing of non-electric vehicles or equipment.

(h) Subject to any applicable governmental regulations or limitations, the Association shall have the right to tow, disable, remove, or store any vehicle, trailer, or equipment of any type which is parked, stored, or kept in violation of this **Section 10.13** without notice or prior warning, and all costs incurred in connection with any such action shall be the joint and several responsibility of the owner of the vehicle, trailer or equipment and of any Owner with whose knowledge or permission the vehicle, trailer, or equipment was present on the Property.

(i) Notwithstanding anything else to the contrary, the provisions of this Section 11.13 shall not apply to the Association or to contractors, subcontractors, vendors, suppliers, or other persons present on the Property at the request of or to provide services for the benefit of the Association.

Section 10.14 Diligent Construction. All construction, landscaping or other work which has been commenced on any Lot must be continued with reasonable diligence to completion and no partially completed House or other improvement shall be permitted to exist on any Lot except during such reasonable time period as is necessary for completion. All construction must be completed within six (6) months after the date upon which it is commenced, unless a longer time is approved by the Reviewer under **Article VIII**. Any damage to the Roadways, curbs or sidewalks or any part of the Common Elements or any utility system caused by an Owner or by an Owner's contractor or his subcontractors shall be repaired by the Association, and the Owner and Owner's builder shall be jointly and severally responsible for the payment of all costs and expenses thus incurred and the cost thereof may be recovered as a Special Individual Assessment against the Owner. These costs and expenses may also be paid from the Construction Compliance Deposit required pursuant to **Section 8.6(b)**. Any builder of improvements and his subcontractors on any portion of the Property shall keep such portion of the Property free of construction debris, in accordance with the construction rules established by the Reviewer under **Article VIII** or, in the absence of such rules, in accordance with standard construction practices. The Board may levy a Special Individual Assessment against an Owner's property in the Project to pay for the cost of repairing any damage to Roadways, curbs or sidewalks or any part of any Roadway, Common Elements, or utility system, to pay for the cost of cleaning public and private areas, including the Roadways in the Project, and to pay for the cost of the removal of garbage, trash or other debris, which are occasioned by the activities of an Owner or Owner's builder or his subcontractors during the construction of improvements. These costs and expenses may also be paid from the Construction Compliance Deposit required pursuant to **Section 8.6(b)**.

Section 10.15 Restricted Activities in Roadways. No Owner shall alter any portion of a Roadway or place anything within a Roadway. Any changes made shall be corrected and any items placed, constructed, or installed in violation of this section shall be removed immediately at the request of the Association. All costs and expenses incurred by the Association as a result of a violation of this section by any Owner shall be charged to that Owner as a Special Individual Assessment.

Section 10.16 Restricted Activities in Easements. No action shall be taken nor shall any structure, planting or other material be placed or permitted to remain in, upon, or within any easement shown on the Plat or provided for in this Declaration that could (i) damage, undermine, weaken, compromise, destabilize or interfere with any utilities or improvements located thereon; (ii) change the

direction or flow of drainage channels; (iii) retard, obstruct or reverse the flow of water; alter or interfere with an established slope ratios; or (iv) create erosion within any easement shown on the Plat or provided for in **Article IX**. All costs and expenses incurred by the Association as a result of a violation of this section by any Owner shall be charged to that Owner as a Special Individual Assessment. This reservation of easements shall not prohibit the construction of driveways, at locations approved by the Reviewer under **Article VIII**, over such easements.

Section 10.17 Offensive Activity and Nuisance. No unlawful, noxious, or offensive trade or activity shall be conducted upon any Lot, or in the Common Elements, nor shall anything be done thereon which may be or become an annoyance or nuisance to any other Owner as determined by the Board of Directors, in its sole and absolute discretion, or which may endanger the health or safety of any Owner or other person on the Property. The Board may more specifically regulate, restrict, or prohibit such conduct by and through rules and regulations adopted as provided in **Section 10.28**.

Section 10.18 Noise and Disorderly Conduct. No Owner shall engage in any disorderly conduct on the Property, or cause or allow any disturbance, including, but not limited to, shouting, singing, or playing any musical instruments, radio, stereo, or television, in a manner that unreasonably disturbs any other Owner. The Board may more specifically regulate, restrict, or prohibit such conduct by and through rules and regulations adopted as provided in **Section 10.28**.

Section 10.19 Rubbish. All rubbish, trash, garbage, junk, and other waste shall be kept temporarily in sanitary containers within each Lot and removed at least weekly from the Property. All trash containers or other equipment for storage or disposal of such waste shall be kept in a clean, odor-free, and sanitary condition and shall be located so as to be concealed from view from any Roadway or House except on the days and during the periods established by the Board from time to time when containers may be moved to a designated location for pickup.

Section 10.20 Animals. No animals shall be kept or maintained in any Lot or House except for domesticated dogs or domesticated cats or household pets that are kept and maintained inside the Lot at all times (“Pets”). No Pets may be kept or bred for any commercial purposes. No savage or dangerous Pets, as determined by the Board in its sole discretion, may be kept on the Property. All permitted Pets shall be controlled so as not to create noise that is audible on the Property and outside the Lot where the permitted pet is kept between the hours of 9 p.m. and 7 a.m. All Pets must be housed inside a Lot, and no pet shall be permitted or found on the Property (other than on the Lot of its owner) unless carried or leashed by a person that can and does physically control the pet. Pets shall not be permitted to defecate other than on the Lot of its Owner, or urinate on the shrubbery, and each Owner shall clean up immediately after his pet if an accident occurs. All Pets shall be registered, licensed, and inoculated if and as required by law. Each Owner shall indemnify and hold the Association harmless from any claim or costs, including reasonable attorney’s fees, resulting from any action of his pet, and shall repair at his expense any damage to the Property caused by his pet. If any Owner violates these rules more than twice in any twelve (12) month period, the Association may require the Owner to remove the pet permanently from the Property upon not less than ten (10) days’ written notice, which remedy shall be in addition to all other rights or remedies.

Section 10.21 Signs and Flags. No signs of any kind, including political signs, shall be placed, or displayed in the public view on any Lot or anywhere on the Property except signs expressly permitted in the Architectural Guidelines or otherwise approved in writing by the Reviewer. No flags, banners, or pennants of any kind, including the flag of the United States of America or the State of North Carolina,

shall be placed, flown, or displayed in the public view on any Lot or anywhere on the Property except as expressly permitted in the Architectural Guidelines or otherwise approved in writing by the Reviewer; provided, however, the display of the flag of the United States of America may be restricted and limited only as permitted in the Freedom to Display the American Flag Act of 2005. Notwithstanding anything contained herein to the contrary, Owners may have one professional sign of no more than one square foot on the Lot advertising the home for sale or rent during the time the property is listed for sale or rent. **Signs or flags placed or displayed in violation of this Section may be removed and destroyed without notice by the Association. If political signs and flags are permitted, they may only be displayed for a total of 30 consecutive days at a time.**

Section 10.22 Clotheslines. No outdoor clothesline or clothes drying structure or equipment of any type shall be visible from the street.

Section 10.23 Leases and Renting. For purposes of this Declaration, a Lot shall be deemed “rented” or “leased” if any occupant pays or provides money or other consideration of any type in exchange for permission to occupy all or any part of a Lot, for any period of time, regardless of whether the arrangement is characterized as a “lease,” “rental,” “license,” or any other legal relationship between the Lot Owner and occupant.

No Lot or House thereon may be leased or rented for a period shorter than twelve (12) months and no lease may be executed sooner than 12 months after the execution of any prior lease. (“Minimum Lease Term”). Lots may be leased or rented only to tenants who intend to occupy the Lot for at least the Minimum Lease Term. No Owner shall offer or advertise his Lot for lease or rental for less than the Minimum Lease Term. Each solicitation, advertisement or offer of leasing, rental or occupancy for less than the Minimum Lease Term shall be deemed to be a separate violation of this section on each day each offer, advertisement or solicitation is made. If any lease, rental agreement, or tenancy is terminated before the expiration of the Minimum Lease Term or if any tenant/occupant fails to continuously occupy the Lot for entire Minimum Lease Term, there shall be a rebuttable presumption that the tenancy was for less than the Minimum Lease Term and each day from the date the tenancy is terminated, or the Lot is vacated to end of the Minimum Lease Term shall be deemed a separate violation of this section.

A complete copy of every lease or rental agreement of any type shall be provided to the Association prior to its commencement and upon request. No Owner shall rent his Lot or the House thereon for transient or hotel purposes, which, for the purposes of this Declaration shall be defined as either (i) a rental for any period less than the Minimum Lease Term, or (ii) any rental, of any duration, if the lessee of the Lot or the House thereon is provided periodic cleaning, housekeeping or other customary hotel services. Any lease of a Lot and House thereon shall be for the entire Lot and House and not a portion thereof, shall be in writing, shall identify the lessee and all permitted occupants, shall provide that the lease, the lessee and all occupants of the Lot shall be subject in all respects to the Project Documents, and shall provide that any failure by the lessee (or any occupant or other person present on the Lot with lessee’s knowledge or consent) to comply with all of the terms of the Project Documents shall constitute a default under the lease. In the event of a violation of the Project Documents by any such person (whether the lessee or any of his guests or invitees), the Association may require the Owner to terminate the lease and to immediately evict or remove the lessee and all violators. Fines and sanctions imposed for violations of the Project Documents shall be the responsibility of the Owner and all lessees, jointly and severally. If a Lot is leased as permitted herein, the lessees and the permitted occupants of the Lot shall be entitled to exercise all of the use, rights and privileges of the Owner, and the Owner shall not exercise or attempt to exercise any of those rights and privileges until the approved lease is terminated

and the Owner takes possession of and occupies the Lot.

No Owner who acquires title to a Lot on or after this Declaration is recorded shall be permitted to rent the Lot until twelve (12) months after the recording date of the deed conveying said Lot to such Owner (“Waiting Period”). In the event that any Lot is leased for any period of time in violation of this mandatory twelve (12) month Waiting Period, the Waiting Period shall be immediately tolled and any time which elapses while the unpermitted lease remains in effect shall not count toward satisfaction of the Waiting Period described herein. Notwithstanding anything else to the contrary, however, the Waiting Period shall not apply to any person or entity who acquires title to a Lot by bequest or inheritance.

TIME SHARING, INTERVAL OWNERSHIP AND ALL OTHER FORMS OF FRACTIONAL OWNERSHIP ARE HEREBY EXPRESSLY PROHIBITED.

Section 10.24 Solar Collectors. In addition to the architectural approvals for Improvements as provided herein, the placement of solar collectors on a Lot in the community shall be subject to the following restrictions.

No solar collectors shall be placed on a Lot in the following locations if they are visible by a person on the ground:

- (1) On the façade of a structure that faces areas open to common or public access;
- (2) On a roof surface that slopes downward toward areas open to common or public access that the façade of the structure faces; or
- (3) Within the area set off by a line running across the façade of the structure extending to the property boundaries on either side of the façade, and those areas of common or public access faced by the structure.

Section 10.25 Governmental Requirements. Nothing herein contained shall be deemed to constitute a waiver of any governmental requirements applicable to any Lot and all applicable governmental requirements or restrictions relative to the construction of improvements on and/or use and utilization of any Lot shall be applicable and complied with in regard to the Lots. Each Owner, occupant, guest, or other person present on the Property shall comply with all applicable laws, regulations, ordinances and other governmental rules and restrictions at all times. Without limiting the generality of the foregoing, the use of and activities upon easements and areas designated as undisturbed natural areas, tree save areas, revegetated natural areas, wetlands or BMPs (wet ponds) are limited, restricted and in some cases, prohibited by law, regulations, and ordinances with which all Owners must comply.

Section 10.26 Occupants and Guests Bound. All provisions of this Declaration, and the Bylaws and any and all rules and regulations, use restrictions or Architectural and Landscape Guidelines promulgated pursuant hereto or thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants and guests even though occupants and guests are not specifically mentioned.

Section 10.27 Plat Notes, Restrictions and Requirements. All notes, restrictions, requirements, and limitations shown on the Plat are incorporated herein by reference. To the extent that

anything shown on the Plat is in conflict with any express provision in this Declaration, the provision in this Declaration shall control.

Section 10.28 Rules and Regulations. In addition to the restrictions set forth in this **Article X**, reasonable rules and regulations governing the use of the Property may be made and amended from time to time by the Board but rules and regulations made by the Board and all amendments thereto shall not be effective unless and until they are approved by a majority vote of those Members present and voting in person or by proxy at a duly called meeting. Rules and regulations adopted as allowed herein may relate to and regulate subjects, issues, activities, and conditions that are addressed in other provisions of this Declaration, including, without limitation, this **Article X**, and may be more restrictive than those provisions. Copies of all such rules and regulations and any amendments thereto shall be published prior to their effective date and shall be furnished by the Association to Members upon request.

Section 10.29 Enforcement. The Association or its agent shall have the right to enforce the provisions of this **Article X**, including Rules and Regulations adopted pursuant to **Section 10.28** in any manner permitted by law, including, without limitation, by seeking injunctive relief and/or the imposition of fines or other sanctions permitted by N.C.G.S. § 47F-3-102(12) and § 47F-3-107.1.

Section 10.30 Antennas/Satellite Dishes. No outside radio or transmission tower or receiving antenna, including a satellite dish antenna, and no outdoor television antenna or satellite dish may be erected or installed on the Common Elements under any circumstances or by an Owner on a Lot without the prior approval of the Board or the Reviewer. To the extent antennas or dishes are allowed by law, the Association reserves the right to approve, regulate and require screening to the fullest extent the law allows. In the event the erection or installation of any dish or device damages or otherwise requires maintenance or repair to any portion of the Property that the Association is responsible to maintain, the Association may require the Owner to properly repair and restore the affected area or, in the alternative, the Association may itself provide for the repair or maintenance of the affected area and recover all of the costs and expenses thereof from the Owner as a Special Individual Assessment.

Section 10.31 Retaining Walls. Intentionally deleted.

Section 10.32 Wetlands, Lakes and Other Water Bodies. Intentionally deleted.

Section 10.33 Yard Sales. The barter, sale, or exchange of new or used personal property at any Lot (by way of description and not limitation, such events are commonly referred to as “yard sales,” “moving sales,” “attic sales,” “estate sales,” or “garage sales”) will be allowed only on such dates as the Association may designate. The Association may, but it is not required to, adopt rules and regulations regarding such sales. The Association may permit owners to hold garage sales for a maximum of 48 consecutive hours but the items must be removed prior to sundown on the second day. Garage sales may not be held on consecutive days or weekends and owners are prohibited from having more than one garage sale per lot per quarter.

**ARTICLE XI
AMENDMENT OF DECLARATION**

Section 11.1 Amendment Generally. Except as is otherwise specifically authorized herein, this Declaration may be amended only as provided in N.C.G.S. § 47F-2-117. No amendment to the Declaration shall be effective unless and until it is executed on behalf of the Association by any officer designated for that purpose and recorded in the County public registry.

**ARTICLE XII
TERMINATION, DURATION, CONDEMNATION**

Section 12.1 Termination. The Project is a planned community under the Act that may be terminated only as set forth in N.C.G.S. § 47F-2-118.

Section 12.2 Duration. This Declaration and the controls, covenants, restrictions, and standards set forth herein shall run with and bind the Property and any Owner and shall inure to the benefit of every Owner of a Lot in the Property and every Owner of any other portion of the Property, and their respective heirs, successors, and assigns, for a term of thirty (30) years beginning on the date this Declaration is recorded in the County public registry. At the end of such thirty (30) year period, all of the easements, controls, covenants, conditions, and restrictions set forth herein shall automatically be extended for successive period(s) of ten (10) additional years, unless prior to the expiration of any such period, Owners entitled to cast at least sixty-seven percent (67%) of the total votes in the Association execute and record an instrument terminating this Declaration.

Section 12.3 Condemnation. Whenever all or part of the Common Elements shall be taken or condemned by any authority having the power of eminent domain, all compensation, and damages for and on account of such taking shall be paid to the Association. The Association, acting through the Board, shall have the right to negotiate and litigate the issues with respect to the taking and compensation affecting the Common Elements, without limiting the right of the Owners to represent their own interests. Each Owner, by his acceptance of a deed to a Lot or other portion of the Property, hereby appoints the Association as his attorney-in-fact to negotiate, litigate or settle on his behalf all claims arising from the condemnation of the Common Elements. All compensation and damages paid to the Association on account of such a taking shall be used to restore the Common Elements, provided such restoration is possible, with the excess of such compensation or damages, if any, retained by the Association and applied to future operating expenses by the Board, in its sole discretion. Nothing herein contained shall prevent any Owner whose Lot or other property is specifically affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on his own behalf for consequential damages relating to loss of value of the affected Lot, or other property, or improvements, fixtures, or personal property thereon, exclusive of damages relating to the Common Elements. In the event that the condemnation award does not allocate consequential damages to specific Owners, but by its terms includes an award for reduction in value of Common Elements, Lots or other property without such allocation, the award shall be divided between or among affected Owners and the Association by the Board, in its sole discretion.

ARTICLE XIII
ENFORCEMENT RIGHTS, REMEDIES, REQUIREMENTS AND PROCEDURES

Section 13.1 Enforcement. The Association, and the Owner of each Lot, by acceptance of a deed therefor, is deemed to covenant and agree that any controversy, claim or dispute arising out of or relating to the Project, the Association or any provision of the Project Documents, or any breach or violation thereof may be enforced by any means allowed under North Carolina law (“Enforcement Action”) and each has standing to seek and pursue Enforcement Action subject to the enforcement requirements and limitations set forth in this Article.

Section 13.2 Owner Approval of Enforcement Action by the Association. No Enforcement Action shall be initiated by the Association unless Owners entitled to cast seventy-five percent (75%) of the total votes in the Association approve the initiation and prosecution of the Enforcement Action in writing and advance, except that no such approval shall be required for actions or proceedings: (a) initiated by the Association against Owners to enforce the Project Documents, including, without limitation, the Use Restrictions contained in **Article X** and the Rules and Regulations, (b) to collect assessments, fines or other sums due to the Association or to foreclose liens securing repayment of those sums due; (c) initiated to challenge ad valorem taxation or condemnation proceedings; (d) initiated against any contractor, vendor or supplier of goods or services arising out of a contract with the Association for services or supplies; or (e) to defend claims filed against the Association or to assert counterclaims in actions or proceedings instituted against it.

Section 13.3 Right to Enter and to Correct or Cure. **Should any Owner fail to satisfy or fulfil any obligation or responsibility under the Project Documents or to cure or correct any violation of the Project Documents, the Association shall have the right, power, and authority to go upon the Owner’s Lot and to take any action necessary to satisfy the Owner’s responsibility or obligation or to correct and cure any violation. Any entry upon the Lot by the Association or their respective agents, employees or representatives under this section shall not be deemed a trespass.** Actions permitted under this section shall include, but are in no way limited to, (a) removing or repairing non-conforming structures or improvements; (b) mowing, pruning, removing, clearing, or cutting underbrush, weeds or other vegetation and trash; and (c) grading, landscaping, and constructing and maintaining erosion prevention devices before or after improvements have been constructed. All costs and expenses incurred by the Association in taking such action plus an additional administrative fee equal to twenty-five (25%) percent of the total costs and expenses incurred shall be charged to and collected from such Owner as a Special Individual Assessment under **Section 4.5**, including, but not limited to, administrative fees and costs, reasonable attorney’s fees and interest at the maximum rate allowed by law. The Owner shall pay all such costs incurred within thirty (30) days after receipt by said Owner of an invoice from the Association setting forth the cost of such work.

Section 13.4 Limitation on Damages Recoverable. Consequential damages, exemplary damages, punitive damages, treble damages, or any other damages which are greater than the compensatory damages or which are based on a multiple of compensatory damages shall not be recoverable by any party in any Enforcement Action, the right to recover such damages being expressly waived.

Section 13.5 Responsibility for Attorney Fees and Costs. Reasonable attorney’s fees may be recovered and awarded in any Enforcement Action as permitted in N.C.G.S. § 47F-3-120.

Section 13.6 Conflicts. In the event of any conflict between this Article and any other provision of the Project Documents, this Article shall control.

Section 13.7 Right of Action Restriction. Notwithstanding any other provisions contained herein, the Association shall not have the power to institute, pursue, join, intervene in, settle, or compromise litigation, arbitration, or other proceedings: (i) in the name of or on behalf of any Owner (whether one or more), or (ii) pertaining to a claim relating to the design, construction, or repair of a House, a Lot, or any improvements on a Lot.

ARTICLE XIV DISCLOSURES AND DISCLAIMERS

The Association, the Board of Directors, and each Owner, by accepting a deed or other instrument conveying any interest in a Lot, acknowledge and accept the following disclosures and disclaimers which are in addition to and supplement any other disclaimers and disclosures set forth in this Declaration.

Section 14.1 Safety, Security, Privacy, and Assumption of Risks. Each Owner and Occupant of a Lot, and their respective tenants, guests, and invitees (“Person” or “Persons”) shall be responsible for their own personal health, welfare, and safety while on the Property and for the security of their property. The Association may, but shall not be obligated to, maintain, or support activities designed to enhance the health, welfare, safety or security of Persons and their property. The Association, the Board, and the managing agent shall not in any way be considered insurers or guarantors of the health, welfare, safety or security of Persons or their property, nor shall any of them be held liable or responsible for any loss or damage by reason of any failure to protect the health, welfare or safety of any Person or their property or ineffectiveness of activities or measures undertaken. No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Project, cannot be compromised, or circumvented, or that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner and Occupant acknowledges, understands and shall be responsible for informing each Person that the Association, the Board, and the managing agent, are not guarantors of the health, welfare, safety or security of any Person or their property and that each Person assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, resulting from acts of third parties or all risks associated with the use and enjoyment of the Property, including any recreational facilities.

Further, the Association, the Board, and the managing agent, shall not be liable or responsible for any personal injury, illness or any other loss or damage caused by the presence or malfunction of utility lines, facilities, or equipment on, adjacent to, near, over, or on the Property. Each Owner and Occupant of a Lot and each tenant, guest, and invitee of any Owner or Occupant shall assume all risk of personal injury, illness, or other loss or damage arising from the presence of utility lines, facilities or equipment and further acknowledges that the Association, the Board, and the managing agent have made no representations or warranties, nor has any Owner or Occupant, or any tenant, guest, or invitee of any Owner or Occupant relied upon any representations or warranties, expressed

Finally, while the Association or the Board may adopt policies or procedures designed, directly or indirectly, to support the privacy of Persons, property and/or data, the Association and the Board Association have no obligation to do so, and each Person agrees and accepts that the Association, and the Board cannot and do not guarantee the privacy of any Person or his or her property or data. Neither the Association nor the Board shall have any duty of any kind, express or implied, to protect the privacy of any Person, including without limitation the privacy of his or her person, property or data, and each Person releases the Association and its respective board members, officers, employees and agents from any liability, responsibility and damage of every kind relating to privacy or a breach, loss or invasion of privacy.

Each Owner acknowledges, understands and shall be responsible for informing each Person that the Association, its Board and committees are not guarantors of security, safety, or privacy and that each Person using the Project assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, and any breach, loss or invasion of privacy resulting from acts or omissions of third parties or from conditions present on or adjacent to the Property.

Section 14.2 View Impairment. The Association does not guarantee or represent that any view from, over, or across any portion of the Property will be preserved without impairment. The Association shall not be obligated to relocate, prune, or thin trees or other landscaping except as otherwise required under a separate covenant or agreement, if any. The Association has the absolute right to add or remove trees and other landscaping to and from the Common Elements. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

Section 14.3 Water Management. Each Owner, Occupant and any other person who uses any portion of the Property acknowledges and agrees that any or all bodies of water (including lakes, ponds, creeks, streams, and wetlands in the Property), together with any dams or other facilities or devices that contain, control, or direct such waters, may be designed as water management areas and not designed solely as aesthetic features, and that, with respect to those that are water management areas, due to fluctuations in ground water elevations within the immediate area and/or the receipt or discharge of stormwater, the water level of such lakes, ponds, and wetlands may rise and fall. Each Owner, Occupant and other such person further acknowledges and agrees that Association has no control over such elevations. Therefore, each Owner, Occupant and other such person releases and discharges the Association from and against any and all losses, claims, demands, damages, costs, and expenses of whatever nature or kind, including reasonable attorneys' fees and costs at all tribunal levels, related to, or arising out of any claim relating to such fluctuations in water elevations.

The Association shall have a perpetual, non-exclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within or adjoining Property to do any or all of the following: (i) install, operate, maintain, and replace pumps to supply irrigation water to the Common Elements; (ii) construct, maintain, and repair structures and equipment used for retaining water; and (iii) maintain such areas.

The Association shall have a perpetual, non-exclusive right and easement of access and encroachment over the Common Elements and Lots (but not the residential structures thereon) adjacent to or within 50 feet of bodies of water within or adjoining the Property, in order to do any or all of the following: (i) temporarily flood and back water upon and maintain water over such portions of the Property; (ii) alter in any manner and generally maintain the bodies of water within and adjoining the

Property; and (iii) maintain and landscape the slopes and banks pertaining to such areas. Nothing herein shall be construed to make the Association or any other person liable for damage resulting from flooding due to hurricanes, heavy rainfall, or other natural occurrences.

Owners, Occupants and other persons who use any portions of the Property shall not alter, modify, expand, or fill any lakes, ponds, or wetlands located in the Property without the prior written approval of the local permitting authority, the Association, the U.S. Army Corps of Engineers (to the extent it has authority), and all other governmental agencies and entities that have jurisdiction over such matters.

Section 14.4 Special Event Easement Reserved. The Association, and their successors, assigns, and designees, shall have a perpetual, non-exclusive easement over the Common Elements for the purpose of conducting parades; running, sailing, fishing, biking, or other sporting events; educational, cultural, artistic, musical and entertainment activities; and other activities of general interest at such locations and times as the Association, in their sole discretion, deem appropriate. Each Owner, by accepting a deed or other instrument conveying any interest in a Lot, acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the Occupants of its Lot to take no action, legal or otherwise, which would interfere with the exercise of such easement.

Section 14.5 Wildlife Control. The Association reserves the right to but has no duty to undertake such measures as may be appropriate to control wildlife within the Property including, but not limited to, the taking of alligators, deer, turkeys, beaver, snakes, and large birds. Without limiting the foregoing, the Association may, in its discretion, establish regular control programs such as, for example, the use of dogs to prevent non-migratory geese and other species from nesting within and/or causing damage to the Property or otherwise becoming a nuisance and may limit, control, or prohibit the placement or distribution of food or other items consumed by or attractive to wildlife.

ARTICLE XV MISCELLANEOUS PROVISIONS

Section 15.1 Covenants Running with the Land. Each Owner, by his acceptance of a deed of conveyance for a Lot, accepts title to that Lot subject to all of the restrictions, conditions, covenants, reservations, liens, charges, jurisdiction, rights, and powers created in and/or reserved by this Declaration. All rights, benefits and privileges of every character hereby granted, created, reserved, or declared, and all responsibilities and obligations hereby imposed, shall be deemed to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

Section 15.2 Construction. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating, preserving, and maintaining the development and operation of a residential community.

Section 15.3 No Waiver or Claims Based on Failure to Enforce. No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations

or breaches which may occur. There shall be no waiver of strict compliance with the provisions of the Project Documents except expressly and in a writing signed by the waiving party. Further, no failure of the Association to enforce the terms and provisions of the Project Documents shall give rise to any claim or liability against the Association, or any of their partners, directors, officers, or agents. **Each Owner, by accepting title to all or any portion of the Property, hereby releases and shall hold harmless the Association and their partners, directors, officers, and agents from and against any damages, claims, or liabilities arising out of or related to any failure by the Association to enforce the terms and provisions of the Project Documents.**

Section 15.4 Severability. The invalidity of any covenant, restriction, condition, limitation, or any other provision of this Declaration, or of any part of the same, shall not impair or affect in any manner the validity or enforceability of the rest of the Declaration.

Section 15.5 Time Limits. If any of the privileges, covenants, restrictions, or rights created by this Declaration shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until the expiration of ninety (90) years from the date of recordation of this Declaration.

Section 15.6 Headings. The heading to each Article and Section of this Declaration is inserted only as a matter of convenience for reference and in no way limits or describes the scope or intent of such Article or Section, or this Declaration in general.

[SIGNATURE AND NOTARY ACKNOWLEDGEMENT ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Association and the requisite number of Owners as required in the Original Declaration Article VIII Section 3 have executed this Declaration as of the day and year first above written.

ASSOCIATION:
WILLOW POND AT LAKE NORMAN HOMEOWNERS ASSOCIATION, INC.,
A North Carolina nonprofit corporation

By: _____
Print Name: _____
Its: President

STATE OF NORTH CAROLINA

COUNTY OF _____

I, the undersigned Notary and Public for the County and State aforesaid, do hereby certify that _____ personally appeared before me this day, and acknowledged to me that he/she is President of Willow Pond at Lake Norman Homeowners Association, Inc., a North Carolina nonprofit corporation, and that he/she signed the foregoing document on behalf of the company.

Witness my hand and seal this the ___ day of _____, 20__.

Notary Public
Print Name: _____
My commission expires: _____

[SEAL]

IN WITNESS WHEREOF, the undersigned Owners within the Willow Pond at Lake Norman Homeowners Association, Inc. do hereby certify that this Declaration was approved by the undersigned as required by and in accordance with North Carolina law and the provisions of the Original Declaration.

Print Name: _____

Print Name: _____

Property Address: _____

State of North Carolina

County of _____

I, the undersigned, a notary public for the County and State aforesaid, certify that _____, being first duly sworn, personally appeared before me this day and acknowledged to me that he/she signed the foregoing document.

Witness my hand and seal this the ____ day of _____, 20__.

[SEAL]

Notary Public
My Commission Expires: _____

State of North Carolina

County of _____

I, the undersigned, a notary public for the County and State aforesaid, certify that _____, being first duly sworn, personally appeared before me this day and acknowledged to me that he/she signed the foregoing document.

Witness my hand and seal this the ____ day of _____, 20__.

[SEAL]

Notary Public
My Commission Expires: _____

Exhibit A

BEING located in Deweese and Lemley Townships, Mecklenburg County, North Carolina, and containing 32.05 acres, described as follows:

BEGINNING at an iron pin, Gochnauer's (Deed Book 4184, Page 690) corner in Blakely's line, and running thence with Blakely's line N 58-39-30 E 171.40 feet to an old iron pin; thence N 58-36-30 E 86.55 feet to an old iron pin; thence N 59-03-39 E 599.95 feet to an old iron pin; thence N 57-36-16 E 517.23 feet to an old iron pin, the southwesterly corner of the property of Martha Smith Croome (Deed Book 5276, Page 4973); thence with the line of Martha Smith Croome N 58-46-19 E 378.53 feet to a point in the 60' right of way shown on map of Twinbrook Subdivision recorded in Map Book 10, Page 51 of the Mecklenburg Public Registry; thence S 05-18-29 W 204.13 feet to an E.I.P. located at the common rear corner of Lots 2 and 3 in Block C of Twinbrook as shown on the aforesaid map; thence with the lines of said Block C of Twinbrook as follows: (1) S 10-23-24 W 70.26 feet; (2) S 18-47-50 W 108.62 feet; (3) S 23-39-09 W 220.09 feet; (4) S 23-33-07 W 70.34 feet; (5) S 09-28-25 W 235.18 feet; and (6) S 20-33-50 W 94.39 feet to an old iron pin, Albert Smith's corner (Deed Book 3510, Page 274); thence with Albert Smith's line, N 74-30-52 W 245.30 feet to an old iron pin; thence S 18-19-42 W 151.20 feet; thence in a southerly direction on a curve to the right having a radius of 204.61 feet, an arc distance of 120.46 feet to a point; thence S 52-03-36 W 61.27 feet; thence in a southerly direction on a curve to the left having a radius of 417.25 feet, an arc distance of 66.54 feet to an old iron pin, Scattergood's corner; thence with Scattergood's line S 50-29-34 E 205.32 feet to an old iron pin; thence with Ray's (Deed Book 4160, Page 271) and Wiggins' (Deed Book 4586, Page 716) lines, S 29-52-53 W 374.81 feet to a new iron pin; thence N 57-49-11 W 27.78 feet to an old iron pin; thence S 31-23-08 W 187.66 feet to an old iron pin; thence S 31-20-47 W 140.13 feet to an old iron pin, southwest corner of Kerns' (Deed Book 4766, Page 304) property; thence S 38-29-30 E 106.98 feet to a new iron pin in Floral Lane Extension; thence S 72-56-09 W 97.47 feet to a new iron pin; thence S 87-38-41 W 115.41 feet to a new iron pin; thence N 86-16-29 W 250.11 feet to a new iron pin; thence N 03-55-44 W 340.44 feet to a new iron pin; thence N 81-49-02 W 102.39 feet to a new iron pin; thence N 08-10-58 E 320.00 feet to a new iron pin; thence S 82-43-07 W 33.93 feet to a new iron pin; thence N 07-57-20 W 462.52 feet to the point of BEGINNING, as shown on the survey of Robert E. Rembert, dated July 8, 1988, revised October 3, 1988.