

Drawn by and Return to:
Moore & Alphin, PLLC
3716 National Dr., Ste 100, Raleigh NC 27612

**DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS
FOR
GILL FARM**

**THIS DOCUMENT REGULATES OR PROHIBITS
THE DISPLAY OF POLITICAL SIGNS.**

Submitted electronically by "Moore & Alphin, PLLC"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Franklin County Register of Deeds.

**DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS FOR
GILL FARM**

THIS DECLARATION is made on the date hereinafter set forth by **Clayton Properties Group, Inc.**, a Tennessee corporation, doing business as Mungo Homes (hereinafter "Declarant").

PREAMBLE:

WHEREAS, Declarant is the owner of approximately 37.295 acres of land located Franklin County, North Carolina, described in that deed recorded in Book 2160, Page 296, Franklin County Registry, and being more described in **Exhibit A** attached hereto and incorporated herein, all or portions of which Declarant intends to develop into a planned community of detached single-family homes known as Gill Farm (hereinafter sometimes referred to as the "Subdivision"); and

WHEREAS, Declarant desires to provide for the maintenance and upkeep of Common Area (hereinafter defined) within the Subdivision, and to provide for enforcement of covenants and restrictions applicable to the Subdivision, and, to that end, desires to subject the property within the Subdivision to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of such property and each owner thereof; and

WHEREAS, Declarant has deemed it advisable to create an organization to own, maintain and administer the Common Area, to administer and enforce covenants and restrictions exclusively applicable to the Subdivision, and to collect and disburse the assessments and charges hereinafter created, and Declarant has incorporated under North Carolina law as a nonprofit corporation, Gill Farm Homeowners Association, Inc., for the purpose of exercising the aforesaid functions; and

NOW, THEREFORE, Declarant declares that the real property described in **EXHIBIT A** to this Declaration, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be owned, held, transferred, sold, conveyed, mortgaged, used and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Any defined term used in this Declaration shall have the meaning set forth below or, if not specifically defined in this Article I, the meaning of such term as set forth in the Act or in any other provision of this Declaration.

Section 1. “Act” shall mean and refer to Chapter 47F of the North Carolina General Statutes, known as the North Carolina Planned Community Act, as the same may be amended from time to time.

Section 2. “Association” shall mean and refer to the **GILL FARM HOMEOWNERS ASSOCIATION, INC.** a North Carolina nonprofit corporation, its successors and assigns.

Section 3. “Board of Directors” and “Board” (the terms being used interchangeably) shall mean and refer to the Board of Directors of the Association elected or appointed to manage the affairs of the Association as provided in Article V of the Bylaws, and is the “Executive Board” as defined in the Act.

Section 4. “Builder” shall mean and refer to one or more Persons in the business of building and selling homes to individuals and selected by Declarant to purchase Lots and construct homes for sale in the Property.

Section 5. “Bylaws” shall mean and refer to the Bylaws of the Association, as amended from time to time.

Section 6. “County” shall mean and refer to the Franklin County, North Carolina, and its regulatory agencies as appropriate.

Section 7. “Code” shall mean and refer to the Franklin County, North Carolina, Code of Ordinances, as amended from time to time and includes all duly adopted regulations, rules, directives, and policies of the County pursuant to or in furtherance of the Code.

Section 8. “Common Area” or “Common Property” (such terms being used interchangeably) shall mean and refer to the real property, together with any improvements thereon, owned by the Declarant or by the Association, whether in fee or by easement, for the common benefit of the Owners of Lots within the Subdivision, and specifically including, without limitation, all private streets, curbs and sidewalks within the Subdivision, the area within any storm water easements and the facilities constructed therein which serve more than one Lot and are not maintained by any governmental authority, all centralized mail box units or kiosks installed for use by the U.S. Postal Service and Owners and water and sewer lines (and the easements associated therewith) which serve more than one Lot and are not located within a public utility easement or a public street right-of-way. The Common Area shall be maintained by the Association or its successors in interest unless dedicated to public use and accepted by a public agency, authority or utility.

Common Area may be owned or leased by the Association or it may be owned by another Person with the Association having a right or easement therein (for example, part or all of a private storm water drainage easement located on either a Lot or real property that is not part of the Properties and that serves more than one Lot in the Properties or a right of the Association to use of a portion of a public street right-of-way pursuant to an encroachment agreement with the County).

Without limiting the generality of the foregoing, Common Area, and the Association's responsibility for maintenance, includes, without limitation, any Stormwater Control Measures and Stormwater Control Facilities (defined below) within and/or serving the Properties, recreational amenities that the Declarant may construct, street trees along the rights-of-way of public streets, and all islands and other landscaped areas within the public streets within the Properties.

Common Area shall be maintained by the Association or its successors in interest unless dedicated to public use and accepted by a public agency, authority or utility, or conveyed to another non-profit corporation organized for such purposes.

Common Area, if any, established by the Declarant or the Association for the benefit of fewer than all of the Owners and occupants of the Properties is "Limited Common Area", and such Limited Common Area and the Owners and occupants of the applicable portion of the Properties for whose benefit the Limited Common Area exists are subject to the same provisions as those applicable to Common Area.

Section 9. "Common Area Easement" shall mean and refer to Common Area as to which the Association has only an easement interest, and not a fee simple interest.

Section 10. "Common Expense" shall mean and refer to all of the expenses incurred by the Association in furtherance of its rights and responsibilities under the Act, the Code, and the Governing Documents and including specifically, but without limitation, all of the following: (Expenses for the maintenance of Limited Common Area are "Limited Common Expenses", which is a subcategory of Common Expense):

- (a) Expenses of administration, inspection and maintenance of the Common Property, including, without limitation, Stormwater Control Measures;
- (b) Expenses classified as Common Expenses under the Act, the Code, or under the provisions of this Declaration or other Governing Documents;
- (c) Expenses for acquisition, maintenance, repair, restoration, replacement, use and operation of personal property owned or leased by the Association for the benefit of the Members;
- (d) Premiums for property, liability or such other insurance premiums as this Declaration or other Governing Documents may require the Association to purchase;
- (e) *Ad valorem* taxes and public assessments and charges lawfully levied against any Common Property owned in fee simple by the Association;
- (f) Fees or charges for utilities used in connection with the Common Property;
- (g) Costs of collection of assessments (dues) from the Members;
- (h) Any unpaid Association assessment following the foreclosure of a first mortgage or first deed of trust or an assessment lien;
- (i) Allocations to reserve funds;
- (j) Payments to the County pursuant to any Stormwater Agreement;
- (k) Fees for professional and other services engaged by the Association;

- (l) Costs and expenses for which the Association is obligated under any encroachment agreement or other agreement with the County or other Governmental Entity;
- (m) Financial obligations of the Association or financial obligations of Members with respect to which the Association has responsibility for collection and payment;
- (n) Expenses incurred by the Association in performing its functions and providing services, including operating, management, enforcement and administrative expenses; and
- (o) Expenses agreed by the Members to be Common Expenses of the Association.

Section 11. “Declarant” shall mean and refer to **Clayton Properties Group, Inc.**, a Tennessee corporation, doing business as Mungo Homes. It shall also mean and refer to any person, firm or corporation to whom or which Declarant may assign or delegate the rights and obligations of Declarant by an assignment of Declarant’s rights recorded in the Franklin County Registry.

Section 12. “Declarant Control Period” shall mean and refer to the period of time during which the Declarant may appoint or remove the members of the Board of Directors of the Association. The Declarant Control Period shall terminate upon the earlier of the following to occur:

- (a) December 31, 2039;
- (b) the later of 120 days or the annual meeting after the date on which one hundred percent (100%) of the Lots in all phases of the Subdivision that may ultimately be subjected to this Declaration have been conveyed to a Class A Member; or
- (c) Relinquishment or transfer of all Special Declarant Rights as provided in §47F-3-104(c) of the Act.

Section 13. “Declaration” shall mean and refer to this “Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for Gill Farm”, and all amendments thereto and supplements thereof.

Section 14. “Dwelling”, “Dwelling Unit” and “Unit” shall mean and refer to any building or portion thereof within the Properties which is used or occupied, or intended for use or occupancy, as a residence by an individual or by one family unit, whether by the Owner thereof or by tenants or lessees of the Owner. A Dwelling shall be deemed to constitute a Dwelling upon issuance of a certificate of occupancy therefor.

Section 15. “Lot” shall mean and refer to any plot of land, with delineated boundary lines, shown on any recorded subdivision map of any portion of the Subdivision (regardless of whether the Lot has been subjected to this Declaration as provided in Article II hereof) and intended for the construction thereon of a Dwelling, with the exception of any Common Area owned in fee by the Association, and any street rights-of-way shown on such recorded map. In the event that any Lot is increased or decreased in size by recombination or re-subdivision through recordation of a new subdivision plat, any newly-platted lot shall thereafter constitute a Lot.

Section 16. "Member" shall mean and refer to every person or entity who or which holds membership in the Association.

Section 17. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot or Development Parcel which is a part of the Properties, including contract sellers and owners of an equity of redemption, but excluding those having an interest in a Lot solely as security for the performance of an obligation.

Section 18. "Properties" shall mean and refer to the "Existing Property" described in Article II of this Declaration and any additional property annexed pursuant to said Article II.

Section 19. "Sub-Association" shall mean and refer to a North Carolina nonprofit corporation organized and existing under the Act for the purpose of owning, managing and/or maintaining that Sub-Association's Common Property (including, with respect to a condominium, its common elements). The term Sub-Association includes a property owners association for a townhome and condominium unit owners association. Any and all assessments imposed upon the Members of the Sub-Association by the documents establishing or governing such Sub-Association shall be in addition to any and all assessment imposed by this Declaration.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION
AND WITHIN THE JURISDICTION OF THE
GILL FARM HOMEOWNERS ASSOCIATION, INC.

Section 1. Existing Property. The real property which, at the time of recording of this Declaration, is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration, and which is within the jurisdiction of the Association, is described on **Exhibit A** attached hereto.

Section 2. Additions to Existing Property by Declarant. At any time during the Declarant Control Period, additional land may be annexed by the Declarant without the consent of the Members and, therefore, become subject to this Declaration by the recording by Declarant of a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed; provided, however, that such property must be contiguous to property already subjected to this Declaration (or separated from such property only by the right-of-way of a street or road) and further provided that such annexation must be approved, if required, by the County of Franklin and by the Federal Housing Administration and/or Secretary of Veterans Affairs. The addition of such property pursuant to this Section may increase the cumulative number of Lots within the Properties and, therefore, may alter the relative maximum voting strength of the various types of Members.

Section 3. Conveyance of Common Area in Annexed Property. Prior to the conveyance of the first Lot within any newly annexed property to an Owner other than Declarant, the owner of the annexed property shall convey to the Association all Common Area located within the newly annexed property. Title to such Common Area shall be conveyed in the same manner as set forth in Section 3 of Article IV of this Declaration.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Declarant and every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Section 2. Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots.

There shall be TWO (2) classes of membership with respect to voting rights:

(a) Class A Members. Class A Members shall be the Owners of all Lots except those owned by the Class B Members (as hereinafter defined). When more than one person owns an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to their Lot shall be exercised as they, among themselves, determine; but fractional voting shall not be allowed, and in no event shall more than one vote be cast with respect to any Lot. Class A Members shall be entitled to one (1) vote for each Lot. Lots owned by Class A Members shall be "Class A Lots".

(b) Class B Member. The Class B Member shall be the Declarant, and any successor. Subject to the provisions of this subsection, Declarant shall be entitled to nine (9) votes for each Lot that it owns (each such Lot being a "Class B Lot"). Assessment of Class B Lots is governed by the provisions of Article V of this Declaration. Upon expiration of the Declarant Control Period, Declarant shall have one vote for each Lot that it owns; however, such Declarant-owned Lots shall continue to be treated as Class B Lots for assessment purposes.

Section 3. Declarant's Right to Appoint Directors and Officers of the Association. Notwithstanding any other provision of this Declaration or the Bylaws, until the expiration of the Declarant Control Period, Declarant may, in its discretion, appoint and remove all of the directors and officers of the Association. Declarant's intent to exercise or continue to exercise that right may be set forth in the notice of each annual meeting of the Members. *See* §47F-3-103(d) of the Act.

Section 4. Vacant/Leased Dwellings. If the Owner of a Lot ceases to occupy the Dwelling constructed thereon as his own personal living quarters or if any Dwelling within the Properties is leased for rental purposes to tenants, the vote as expressed by the Owners of such vacant and rental units shall not be entitled to any weight greater than forty-nine percent (49%) on any matter pending before the Association. This Section applies only to Lots and Dwellings owned by a Class A Member and specifically excludes Lots and Dwellings owned by the Declarant.

Section 5. Legal Actions Against Declarant and Owners. The affirmative vote or consent of the Owners that is equal to or greater than sixty-seven percent (67%) of the total number of votes in the Association first shall be required prior to the Association doing any or all of the following with respect to the Declarant, any successor Declarant, any Owner or any Member regardless of whether such Person is the Declarant or is an Owner or Member at the time the

Association takes the action or obtains the necessary vote or consent required to take such action: (i) file a complaint, on account of any act or omission with any Governmental Entity which has regulatory or judicial authority over the Properties or any part thereof; or (ii) assert a claim against, sue or request legal or equitable relief against Declarant, Owner or Member in any court, before any Governmental Entity board, or otherwise, provided however, nothing contained in this section shall be construed to require said number of votes for any lien enforcement actions arising out of Article V.

ARTICLE IV PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment and Access. Except as limited by Section 2 of this Article IV and by rules and regulations adopted by the Members and/or the Board of Directors, every Owner shall have a right and easement of enjoyment in, use of and access to, from, and over the Common Area, which right and easement shall be appurtenant to and shall pass with title to every Lot, subject to:

(a) the right of the Association to charge reasonable admission and other fees for the use of any facilities situated or constructed on the Common Area and to limit the use of such facilities to Owners who occupy a residence on the Properties and to their families, tenants and guests, as provided in Section 2 of this Article IV.

(b) the right of the Association, after notice and an opportunity to be heard, to suspend the voting rights of an Owner and the right of an Owner to use the Common Area and facilities thereon for any period during which any assessment against his Lot remains unpaid for a period of thirty (30) days or longer, or for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association, provided, however that the Association may not suspend an Owner's right to use of any Common Area providing access or utilities to his Lot.

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless Members entitled to at least eighty percent (80%) of the votes of the entire membership of the Association agree to such dedication, sale or transfer, *provided that* this subsection shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of sewage, utility and drainage facilities upon, over, under and across the Common Area without the assent of the Members when such easements, in the opinion of the Board, are necessary for the convenient use and enjoyment of the Properties. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the County or other governmental entity or to a nonprofit entity organized for purposes similar to those of the Association.

(d) the right of the Association, with the assent of Members entitled to at least eighty percent (80%) of the votes of the entire membership of the Association to mortgage, pledge, deed in trust, or otherwise encumber any or all of its real or personal property as security for money

borrowed or debts incurred, provided that the rights of any such lender or mortgagee shall be subordinate to the property rights of the Owners as set forth herein.

(e) the right of the Association to exchange all or part of the Common Area for other property and consideration of like value and utility, provided that such exchange is approved by a vote of the Members at a meeting of Members, one of the purposes of which is to vote on the exchange, and, if required, by the County.

Section 2. Delegation of Use.

(a) Family. The right and easement of use and enjoyment granted to every Owner by Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principal residence.

(b) Tenants. The right and easement of use and enjoyment granted to every Owner by Section 1 of this Article may be delegated by such Owner to his tenants or contract purchasers who occupy such Owner's Unit, or a portion thereof, as their principal residence.

(c) Guests. The right and easement of use and enjoyment granted to every Owner by Section 1 of this Article may be delegated to guests of such Owners, tenants or contract purchasers, subject to such rules and regulations as may be established by the Board of Directors.

Section 3. Conveyance of Title To The Association. Declarant covenants, for itself, its successors and assigns, that, prior to the conveyance of the last Lot within any phase of the Subdivision to an Owner, Declarant will convey to the Association title to those portions of the Common Area located in that phase which are to be owned by the Association. Declarant hereby reserves and grants (regardless of whether or not such reservation and grant is specifically set forth in such deed), for itself, any Builder and each of their respective successors and assigns, an easement over, under, across and through the Common Area so long as any of them own any Lot within the Properties, for the purpose of constructing any improvements on the Common Area and/or the Lots as it or they deem necessary or advisable; provided that, following construction of improvements, the Common Area shall be restored to its prior condition to the extent practicable. Except as otherwise stated herein, all conveyances by Declarant to the Association shall be free and clear of all encumbrances and liens (including statutory liens of laborers and materialmen pursuant to Article 2 of Chapter 44A of the North Carolina General Statutes) except this Declaration, restrictive covenants applicable to the Properties, utility, drainage, conservation, greenway and other easements of record or shown on the recorded plats of the Properties, and the lien of *ad valorem* taxes not yet due and payable. Any improvements placed on the Common Area by Declarant shall become the property of the Association upon completion of such improvements, except utilities owned and maintained by the County or other governmental entity, or a public or private utility company. The Association shall accept transfer of ownership of any and all Common Property.

Section 4. Regulation and Maintenance of Common Area and Common Area Easements. It is the intent of Declarant that the Common Area (whether owned in fee or by easement) be preserved to the perpetual benefit of the Owners within the Subdivision. To that end, the Declarant, by recording any plat or map of any phase or section of the Subdivision, grants to the Association an easement over and across that portion of any Lot within such phase or section on

which a Common Area Easement lies for the purpose of enabling the Association to take action permitted by subsections (b) and (c) of this Section 4.

(a) Rights and Responsibilities of the Lot Owners. Each Owner of a Lot upon which a Common Area Easement lies shall pay all property taxes and other assessments levied against his Lot, including that portion of such tax or assessment as is attributable to such Common Area Easement. Notwithstanding any other provision of this Declaration, no Owner or other person shall, without the prior written consent of the Association: (1) remove any trees or vegetation from Common Area; (2) erect gates, fences, buildings or other structures on any Common Area; (3) place any garbage receptacles on or in any Common Area; (4) fill or excavate any Common Area or any part thereof; or (5) plant vegetation on or otherwise restrict or interfere with the use, maintenance, and preservation of any Common Area.

It is the intent of the Declarant that a Common Area Easement shall be maintained in the same state as when the Lot upon which such easement lies was conveyed to an Owner (other than the Declarant), except for changes authorized or approved in writing by the Declarant or the Association. If an Owner of a Lot on which a Common Area Easement lies fails to maintain the easement area as provided herein, whether by act or omission, the Association shall have the right to enter upon such Owner's Lot for the purpose of maintaining same and shall have the right to charge such Owner with the costs of such maintenance, which costs, if not paid within thirty (30) days after demand for payment is made by the Association, shall be collected in the same manner and shall incur the same late charges, interest and costs of collection as set forth in Section 7 of Article V of this Declaration. *Provided however*, that the Association shall have the obligation to maintain, repair, replace and inspect any cluster unit mail boxes or kiosks in good, safe, clean and sanitary condition and to keep the immediately surrounding area free of debris or other hazards regardless of the location of said cluster unit mail box or kiosk.

(b) Rights and Responsibilities of the Association. The Association shall have the right and obligation to ensure that the Common Area (including Common Area Easements) is preserved to the perpetual benefit of the Owners and, to that end, shall: (i) maintain the Common Area in its natural or improved state, as appropriate, and keep it free of impediments to its free use by the Owners, subject, however, to easements of record and any limitations on such use provided in this Declaration or rules and regulations adopted by the Association as provided herein or in the Bylaws; (ii) procure and maintain adequate liability insurance covering the Association and its Members against any loss or damage suffered by any person, including the Owner of the Lot upon which a Common Area Easement lies, resulting from use of the Common Area; and (iii) pay all property taxes and other assessments levied against all Common Area owned in fee by the Association.

(c) Association's Right of Entry for Maintenance of Common Area Easements. The Association and its employees, agents, contractors and subcontractors shall have a nonexclusive right and easement at all times to enter upon any portion of a Lot reserved or designated as a Common Area Easement, and any other portion of the Lot to the extent necessary to gain access and maintain improvements and facilities within the Common Area Easement, and no such entry shall be deemed a trespass. To the extent practicable, the Association shall give reasonable oral notice to the Owner or occupant of such Lot.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner, by execution of this Declaration or by acceptance of a deed or other instrument conveying title to a Lot, whether or not it shall be so expressed therein, is deemed to consent and agree to pay to the Association (or to any Person who may be designated by the Association to collect such monies) all assessments and other charges required by this Declaration, including the following: (1) annual assessments; (2) working capital assessments; (3) special assessments; (4) fines for violations of the provisions of this Declaration or other Governing Documents or assessments levied against Owners for misuse and damage to the Common Areas by the Owners or their family members, tenants, agents, contractors and guests; (5) individual assessments for any expense under the Code or this Declaration which the Association becomes obligated to pay and pays on behalf of an Owner; (6) late payment charges, interest on unpaid assessments, costs of collection, including without limitation, court costs, service charges, and attorney's fees as provided in the Act, and charges for dishonored checks; all as established by the Board from time to time; and (7) all other assessments and charges imposed or allowed to be imposed by this Declaration.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Subdivision and, in particular, for: (i) acquisition, improvement, and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area; (ii) maintenance, repair and reconstruction of the Common Area and improvements thereon, including, without limitation, storm water drainage facilities, and, including, without limitation, the cost of repair, replacement and additions thereto and the cost of labor, equipment, materials, management and supervision thereof; (iii) payment of taxes and public assessments levied against Common Area owned by the Association in fee; (iv) procurement of insurance; (v) employment of attorneys, accountants and other persons or firms for Association business; (vi) payment of principal and interest on funds borrowed for Association purposes; (vii) payment of any and all Common Expenses and (viii) such other needs as may arise.

Section 3. Amount of Assessments. Until December 31, 2019, the annual assessment shall be \$240.00 for each Class A Lot. The annual Assessment for Class B Lots shall be zero. Beginning on January 1, 2020, and on January 1 of each year thereafter, the maximum annual Assessment shall automatically increase by ten percent (10%) over the annual assessment for the previous year unless the increase is otherwise set by the Board of Directors at an amount less than ten percent (10%).

The provisions of this subsection shall not apply to, nor shall they be a limitation upon, any change in the annual assessment or the maximum annual assessment incident to a merger or consolidation as provided in §47F-2-121 of the Act.

Section 4. Date of Commencement of Annual Assessments; Amount of Assessments; Ratification of Budgets. Unless a different commencement date is set by the Board of Directors, the annual assessments provided for herein shall commence as to a Lot on the first day of the month after the Lot is subjected to this Declaration.

Subject to the provisions of this Section, the Board of Directors may fix the annual assessment for Class A Lots at any amount not in excess of the Maximum Annual Assessment in effect for the appropriate assessment year. The annual assessment for Class B Lots shall be zero, provided, however, that any Lot which contains a dwelling occupied by any person as a residence shall be assessed at the Class A rate. Unless a lower amount is set by the Board of Directors, the initial annual assessment shall be the "Maximum Annual Assessment" set forth in Section 3 of this Article and shall be prorated according to the number of months remaining in the calendar year. Annual assessments shall be fixed at a uniform rate for all Lots in each Class and may be collected on a yearly, semiannually, quarterly, or monthly basis, as determined by the Board of Directors. Any monies paid at any time by the Declarant for common expenses or otherwise for or on behalf of the Association shall be credited against past or future assessments due from the Declarant, if any.

The Board of Directors shall adopt a proposed budget for the Association at least annually. Within thirty (30) days after the adoption of the proposed budget, the Board of Directors shall send a copy of the proposed budget to the Members and shall give written notice to the Members of a meeting of the Members to consider ratification of the budget, such meeting to be held not sooner than ten (10) days nor more than sixty (60) days after the mailing of such notice. Such meeting may, but need not be, combined with the annual meeting of the Members. There shall be no requirement that a quorum be present to vote on ratification of the budget (although a quorum must be present to vote on other matters). The budget shall be deemed ratified unless at that meeting Members having a majority of the votes of the entire membership vote to reject the budget; provided, however, if the budget provides for an annual assessment per Lot not in excess of the Maximum Annual Assessment in effect for that Fiscal Year of the Association, such budget shall be deemed ratified unless Members having at least eighty percent (80%) of the votes of the entire membership vote to reject the budget. If any proposed budget is rejected by the Members, the budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board.

The Association shall, upon demand and for such reasonable charge as the Board may determine, furnish a certificate signed by an officer of the Association, or the management company employed by the Association, setting forth whether the assessments (annual, special, and limited special assessments) for a specific Lot have been paid. If such certificate states that an assessment has been paid, such certificate shall be conclusive evidence of payment.

Section 5. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessments for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, for repayment of indebtedness and interest thereon, or for any other non-recurring expenses, *provided that* any such assessment shall have been approved by the Declarant (during the Declarant Control Period) and by not less than two-thirds (2/3) of the votes of the Class A Members present and voting (in person or by proxy) at a meeting of the Members, one of the purposes of which is to vote on the special assessment, and further provided that the special assessment for a Class B Lot shall always be zero. Special assessments shall be fixed at a uniform rate for all Lots within each Class and may be collected on a yearly, semiannually, quarterly, or monthly basis, as determined by the Board of Directors.

Written notice of any meeting called for the purpose of voting on a special assessment shall be sent to all Members not less than fifteen (15) days nor more than thirty (30) days prior to the meeting. At such meeting, the presence of Members or of proxies entitled to cast sixty percent (60%) of the votes of each Class of Lots shall constitute a quorum. If the required quorum is not present at any meeting, another meeting may be called subject to the same notice requirement, and if the meeting is called for a date not later than sixty (60) days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting.

Section 6. Limited Special Assessments. The Board of Directors, without vote of the Members, may levy a limited special assessment against any Lot, applicable only to that Lot, for expenses incurred by the Association with regard to such Lot including, without limitation, expenses incurred under Article VI hereof. Any fine imposed against an Owner pursuant to Section 3 of Article VII of the Bylaws shall also constitute a limited special assessment against such Owner's Lot. Special assessments and limited special assessments shall constitute a lien to the same extent as other annual assessments against the Lot.

Section 7. Effect of Nonpayment of Assessments; Remedies. No Owner shall be exempt from liability for any assessment provided for herein for reason of non-use of the Common Area or such Owner's Lot, or abandonment or leasing of such Owner's Lot, or unavailability of the use or enjoyment of the Common Area.

All assessments and other charges shall be established and collected as provided in this Declaration. All assessments and other charges remaining unpaid for thirty days (30) days or longer, together with late charges, interest, and the costs of collection thereof, including attorney's fees, shall be charge on the Owner's Lot as provided in §47F-3-116 of the Act and, upon filing of a claim of lien in the office of the clerk of superior court of the county in which the Lot is located in the manner provided in §47F-3-116(g), shall be a continuing lien upon the Lot against which such assessment is made until paid in full. The lien may be foreclosed by the Association in any manner permitted under the Act or by law. When the holder of a first mortgage or first deed of trust of record or other purchaser of a Lot obtains title to the Lot as a result of a foreclosure of a first mortgage or first deed of trust, such purchaser and its heirs, successors, and assigns shall not be liable for the assessments and other charges against such Lot which became due prior to the acquisition of title to such Lot by such purchaser. All assessments and other charges due hereunder, together with late charges, interest, the costs of collection thereof, including attorney's fees, shall also be the personal obligation or corporate obligation of each Person who was Owner of the Lot at the time when the assessment or other charge first became due and payable and may be collected by appropriate action at law. If more than one Person held an ownership interest in the Lot at the time the assessment or other charge first became due, then each Person shall be both jointly and severally liable. An Owner's personal obligation for payment of such assessments and other charges shall not become the personal obligation of a subsequent Owner unless expressly assumed by the subsequent Owner, although the lien shall continue against the Lot until the amounts due are paid.

Section 8. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien; however, the sale or transfer of a Lot pursuant to foreclosure

of a first mortgage or deed of trust, or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of any assessments which became due prior to the date of conveyance pursuant to such foreclosure. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 9. Exempt Property. All Common Area owned in fee by the Association, all property dedicated to and accepted by a public authority, and all property owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. Notwithstanding the foregoing, no Lot devoted to residential use shall be exempt from said assessments.

Section 10. Working Capital Fund. At the time of closing of the initial sale of each Dwelling constructed on a Lot, a sum equal to 1/6th of the annual assessment for Class A Lots in effect at the time of such sale shall be collected from the purchaser of such Lot and transferred to the Association as part of its working capital. The purpose of the working capital fund is to ensure that the Association will have adequate cash available to meet its initial operating expenses or to acquire additional equipment or services deemed by the Board of Directors to be necessary or desirable. Amounts paid to the Association pursuant to this Section shall not be considered as an advance payment of any regular assessment.

Section 11. Declarant's Obligation to Fund Operating Deficits. During the Declarant Control Period, Declarant shall be obligated to fund any deficit between the normal operating expenses of the Association and the monies received by the Association from the Owners from assessments. Declarant, at its option, may pay such expenses directly to the Person providing the services or materials or pay to the Association the amounts necessary to fund the operating deficit. Any monies paid at any time or by the Declarant for or on behalf of the Association shall be credited against past or future assessments due from the Declarant.

ARTICLE VI MAINTENANCE OF LOTS AND UNITS

Section 1. Association's Responsibility. The Association shall repair and maintain the Common Area and any improvements, utilities and facilities located on the Common Area. The Association shall also be responsible for maintenance and repair of all retaining walls constructed by the Declarant or the Association within the Properties, whether on the Common Area or a Lot. In the event that the need for maintenance, repair and/or replacement is caused through the willful or negligent act of an Owner or such Owner's tenants, subtenants, family members, or guest or invitees of any of them, the cost of such maintenance, repair and/or replacement shall be the responsibility of the Owner.

The Board of Directors of the Association or the Members, by the affirmative vote of a majority of the Members of each Class, shall have the right (but not the obligation) to accept certain items, areas or improvements on a Lot for maintenance by the Association. Such acceptance shall be in writing and may be subject to such terms and conditions, including, but not limited to, a special assessment or increased annual assessment for that Lot (which, being consensual, need not be

approved as provided in Article V hereof), as the Association might establish in such written acceptance.

The Declarant is responsible for construction of streets and roads within the Property. The Association shall undertake the management, operation, maintenance, repair, servicing, replacement and renewal of all private streets and private utilities constituting Common Areas and all improvements thereon. The Association shall also be responsible for and maintain all public streets and roads within the Property until such roads are accepted for maintenance by the applicable Governmental Authority or until such streets and roads are accepted for maintenance by the Association. Following any irrevocable acceptance of the streets and roads for maintenance as public rights of way by applicable governmental entities, the Association shall maintain such streets and roads to the extent such activities are not performed by the applicable governmental entities.

The determination of the need, quality, extent and cost of such maintenance and repairs shall be made by the Board of the Association, which determination shall be reasonable and made upon consistent and non-arbitrary principles adopted by the Board.

Section 2. Owner's Responsibility; Remedy for Owner's Failure to Maintain. Any maintenance on a Lot that is not the responsibility of the Association, whether by the terms of this Declaration or by written acceptance of same, shall be the responsibility of the Owner of such Lot. Each Owner shall be responsible for repair and maintenance of all utility lines, fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to the Owner's Lot which are not publicly maintained.

If an Owner does not perform any required maintenance of his Lot or Dwelling, the Association shall have the right (but not the obligation), through its agents and employees, by the affirmative vote of not less than two-thirds (2/3) of the Board of Directors, to enter upon such Lot and to repair, maintain and restore the Lot or exterior of the Dwelling erected thereon, and the cost of such maintenance, plus a surcharge of 15% for administration, shall be assessed in accordance with Section 3 of this Article. Prior to such entry, the Association shall give written notice to the Owner stating: (i) the specific items needing maintenance; (ii) the corrective action to be taken; (iii) a time, not less than 15 calendar days from the date of the notice, in which the Owner is to perform the necessary maintenance; and (iv) a statement that, if the Owner fails to perform the maintenance within such time period, the Association will exercise its right to perform the maintenance and that the Owner will be assessed with the costs thereof as provided in this Article VI.

Section 3. Assessment of Cost. In the event that the Association performs maintenance on any Lot as provided in Section 2 of this Article VI, the cost of any such maintenance, replacement or repairs (including the administration fee) shall be a limited special assessment against the Lot upon which such maintenance is done and shall be added to and become part of the assessments to which such Lot is subject under Article V hereof, enforceable under the terms thereof.

Section 4. Access at Reasonable Hours. As provided in Section 5 of Article VIII of this Declaration, the Association, through its duly authorized agents or employees, shall have the right, without notice to the Owner, to enter upon any Lot at reasonable hours on any day to perform any maintenance and repairs to be performed by the Association.

ARTICLE VII RIGHTS OF LENDERS

Section 1. Books and Records. Any holder of a first deed of trust on any Lot, or its agent(s), shall have the right, during normal business hours, to examine copies of this Declaration, the Articles of Incorporation, the Bylaws, and the books and records of the Association and, upon written request to the Association, to receive a copy of the financial statement for the immediately preceding fiscal year, except that the Association shall not be required to provide the financial statement for the preceding fiscal year if said fiscal year expired less than 75 days prior to the date of the request. (See §47-3-118 of the Act).

Section 2. Notice to Lenders. Upon written request to the Association, the holder of a first deed of trust on any Lot shall be entitled to timely written notice of:

- (a) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of the Lot securing its loan.
- (b) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- (c) Any proposed action that requires the consent of a specified percentage of owners or holders of first mortgages on the Lots.
- (d) Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage.

Section 3. Approval of Holders of First Deeds of Trust. Unless at least seventy-five percent (75%) of the holders of the first deeds of trust on Lots located within the Properties have given their prior written approval, the Association shall not:

- (a) By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association, unless said conveyance of real property is *de minimis* and for the sole purpose of correcting an error in title of a Lot. Neither the granting of easements for utilities or other purposes as provided in Section 1(c) of Article IV hereof, nor the exchange of real property as provided in Section 1(d) of said Article IV hereof shall be deemed a transfer within the meaning of this subsection (a). Notwithstanding anything herein to the contrary, the property owned by the Association, whether in fee, by easement, or otherwise, shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the County or another governmental entity or to a nonprofit entity organized for purposes similar to those of the Association.
- (b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot;
- (c) Fail to maintain hazard insurance on insurable improvements on the Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value; or
- (d) Use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement, or reconstruction of the damaged improvements or, as provided in §47F-3-113 of the Act, for distribution to the Owners, provided, however, that, except as provided in §47F-2-118 of the Act, any distribution to Owners shall be in the form of a credit toward current or future assessments due from the Owners to the Association.

Provided, however, that in the event that any such holder of a first deed of trust fails to provide the approval required by this Section 3 within sixty (60) days after the Association has sent a written request for such approval, approval will not be required, and this Section will be deemed to have been fully complied with.

Section 4. Payment of Taxes and Insurance Premiums. The holders of deeds of trust on Lots, jointly or singly, may pay taxes or other charges which are in default and which have or may become a charge or lien against any of the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy covering property owned by the Association. The persons, firms or corporations making such payments shall be owed immediate reimbursement therefor by the Association.

Section 5. Collection of Assessments. No mortgagee shall have any obligation to collect any assessment under the Declaration.

ARTICLE VIII EASEMENTS

In addition to all other easements granted or reserved elsewhere in this Declaration, Declarant hereby grants and/or reserves the following easements.

Section 1. Access and Utility Easements. Easements for the installation and maintenance of driveway, walkway, water line, sewer lines, natural gas lines, telephone, cable television, electric power transmission lines, storm water drainage facilities, and other public or quasi-public utility installations are reserved as shown on the recorded plats of the Properties. The Association may reserve and grant easements over the Common Area as provided in Article IV, Section 1(c), of this Declaration. Within any such easement herein provided, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation or maintenance of the utilities installed thereon, or which may change the direction of flow or drainage of water through drainage pipes or channels constructed in such easements.

For a period of ten (10) years from the date hereof, Declarant grants to and reserves for itself, the Association, and their successors and assigns, an easement and right of ingress, egress and regress on, over and under the Properties to maintain and correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action that it deems reasonably necessary or appropriate. After such action has been completed, the person or entity taking such action shall grade and seed the affected property and restore the affected property to its original condition to the extent practicable, but shall not be required to replace any trees, bushes or shrubbery necessarily removed. The person or entity taking such action shall give reasonable notice of its intent to take such action to all affected Owners.

Section 2. Easement for Support. Every Lot and Unit which contributes to the lateral and/or vertical support of any adjoining Unit(s) shall be burdened with an easement of support for the benefit of such adjoining Unit(s).

Section 3. Easement For Encroachments. In the event that any structure, installation, appliance or fence erected on a Lot encroaches upon any other Lot or the Common Area, and such encroachment was not caused by the purposeful act or omission of the Owner of such Lot, then an easement appurtenant to such Lot shall exist for the continuance of such encroachment upon the Common Area or other Lot for so long as such encroachment shall naturally exist. In the event that any structure erected principally on the Common Area encroaches upon any Lot, then an easement shall exist for the continuance of such encroachment of such structure onto such Lot for so long as such encroachment shall naturally exist. The foregoing shall not be construed so as to allow any extension or enlargement of any existing encroachment or to permit the rebuilding of the encroaching structure, if destroyed, in a manner so as to continue such encroachment, except such encroachment as was in existence as of the date of conveyance of the Lot to an Owner other than the Declarant.

Section 4. Easement Over Common Area. A perpetual, nonexclusive easement over, under and through the Common Area is hereby granted to each Lot and its Owners, family members and tenants of such Owners, the occupants of such Lot, and guests and invitees of such Owners, tenants or occupants, for the purpose of providing reasonable access, ingress and egress to, from and over and the use of the Common Area and for utilities serving such Lot. Any conveyance or encumbrance of such Common Area is subject to the easements granted herein.

Section 5. Association's Easement Upon Lots. The Association shall have a right, license and easement to go upon any Lot for the purpose of fulfilling its obligations under this Declaration and any other laws, ordinances, rules and regulations, public or private, which the Association is obligated or permitted to enforce. Such easement shall include, without limitation, the right to go on any Lot to correct, repair or alleviate any condition which, in the opinion of the Board of Directors of the Association or of the manager employed by the Association, creates or may create an imminent danger to the Common Area or improvements thereon.

Section 6. Fence Easement. Each Owner shall have a perpetual access easement over the adjoining Lot and Common Area to the extent reasonably necessary to tie a fence on the Owner's Lot with a neighboring fence. Installation of fences however, require prior approvals by the Declarant of Architectural Committee pursuant to the terms of Article IX of this Declaration. This Fence Easement is subordinate to other easement authorized by this Declaration or by the Declarant, including but not limited to utility, stormwater easements, thus fences may be removed as necessary by the holders of said easements for maintenance and repairs.

ARTICLE IX ARCHITECTURAL CONTROL

After occupancy of the dwelling constructed on a Lot pursuant to a certificate of occupancy or other certificate issued by the appropriate governmental entity, no building, fence, sign (including unit identification signs), wall or other structure (including, without limitation, play or sports equipment, patios, decks, tree houses, parking pads, and sidewalks) shall be commenced, constructed, erected or maintained upon a Lot, nor shall any exterior addition to or change or alteration thereof be made, nor shall a building permit for such improvement or change be applied for or obtained, nor shall any major landscaping or re-landscaping be commenced or made (such construction, alteration and landscaping are hereinafter referred to as the "Improvements") until

plans and specifications showing the nature, kind, shape, heights, materials, color and location of same shall have been submitted to and approved in writing by the Declarant. If the Declarant fails to approve or disapprove such proposed Improvements within thirty (30) days after the plans and specifications have been received by it, approval will not be required, and this Article shall be deemed to have been complied with. Declarant shall have the right to charge a reasonable fee, not to exceed \$150.00, for receiving and processing each application and the right (but not the obligation), at the expense of the Owner seeking approval of the Improvements, to employ and engineer or other professional to review the plans for the Improvements. Declarant shall have the right (but not the obligation) to promulgate and from time to time amend written architectural standards and construction specifications (hereinafter the "Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including, but not limited to, architectural style, exterior color finish, roofing material, siding material, driveway material, landscape design and construction technique. Declarant shall not approve any Improvements which it determines, in its sole discretion, not to be in harmony of external design, construction and/or location in relation to the surrounding structures, topography or the general plan of development of the Community.

Declarant may, at any time, delegate, in part or in whole, the review and approval authority contained in this Article IX to the Board of Directors of the Association, which, in turn, may delegate such authority to an Architectural Committee composed of three or more persons appointed by the Board. Declarant shall delegate such authority no later than the end of the Declarant Control Period. Except as provided in the next paragraph, any use of the term "Declarant" in this Article IX shall be deemed to apply to Declarant and, when appropriate, to the Board of Directors or the Architectural Committee. Nothing herein shall be construed to permit interference with the development of the Lots by the Declarant.

Notwithstanding any other provision of this Declaration, including, without limitation, the provisions of the immediately preceding paragraph, Declarant shall have and shall exercise the rights set forth herein as to a Lot at all times prior to issuance of a certificate of occupancy or other certificate issued by the County or appropriate governmental entity for the Dwelling constructed on a Lot. Neither the Board of Directors nor any Architectural Committee of the Board shall have the right to overturn any decision of Declarant without the prior written consent of Declarant, unless the Declarant no longer exists as a legal entity, in which event the foregoing proscription shall not apply. Provided, however, in the event Declarant wholly delegates review and approval authority contained in this Article IX to the Board of Directors of the Association, then the Board of Directors shall retain the right to promulgate or change Architectural Guidelines.

In the event any structure is commenced or constructed in violation of the provisions of this Article, in addition to any other remedy available for such breach including, without limitation, monetary fines for such violation, either Declarant or the Association may seek and obtain injunctive or other equitable relief to prevent construction and/or removal of such unapproved structure. The party prevailing in any action to enforce the provisions of this Article shall be entitled to recover from the non-prevailing party the costs of such action including, without limitation, court costs and attorneys' fees actually and reasonably incurred by the prevailing party.

Notwithstanding the foregoing, as to any Builder, Declarant may provide blanket approval of site plans, general housing styles and finishes which may then be constructed on any Lot without the need for additional written approvals of, or the submission of, specifications, exterior color and finish, landscape plan, site development or any other matter included within the definition of

“Plans.” Once granted, such blanket approval shall be irrevocable and binding on the Board and Architectural Committee as to any Lots owned by Builder or subject to any contract to purchase or option to purchase of Builder. Once blanket approval is granted, a Builder shall not be obligated to obtain any other approvals from the Declarant, Board or Committee.

ARTICLE X USE RESTRICTIONS

Section 1. Use of Lots and Common Area. It is the intent of the Declarant that all Lots shall be used for residential purposes only. Except as permitted by the Code, no trade, business, profession or other type of commercial activity shall be carried on upon any Lot, except that (i) the Declarant, real estate brokers, Owners and their agents may show Lots for sale or lease and (ii) any Owner may lease a Lot to residential tenants for profit (such lease to provide that the terms of the lease shall be subject in all respects to this Declaration). Notwithstanding the foregoing, the Declarant and any Builder shall have the right to: (i) use Lots and improvements erected thereon for sales offices, field construction offices, storage facilities, and its own general business offices; (ii) maintain spot-lighted model homes which may be open to the public for inspection seven days per week for such hours as the Declarant deems appropriate or necessary; (iii) conduct any other activities on Lots to benefit sales and construction efforts; and (iv) use the parking facilities on the Common Area for parking for its employees and invitees.

Section 2. Use of Accessory Structures. No shack, barn, or other building, other than a Dwelling, its garage and outbuildings incident to residential use, shall be erected on a Lot. Storage sheds incidental to residential use require approval provided in Article IX, and any such structure shall substantially correspond to the design of the dwelling. No structure of a temporary nature may be used temporarily or permanently as a residence. Notwithstanding the foregoing, the Declarant and any Builder may use temporary buildings, offices or facilities in connection with the marketing, sale and construction of Units.

Section 3. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot or the Common Area, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No vehicle repairs or maintenance shall be conducted within the Properties other than in a garage and concealed from public view. Outside clothes hanging devices are not permitted.

Section 4. Animals. No animals, livestock or poultry of any kind shall be kept on any Lot, except that a reasonable number of cats, dogs, and other household pets may be kept provided they are not kept, bred, or maintained for any commercial purpose and that they do not become a nuisance to the neighborhood. The Board of Directors has the right to determine whether or not a particular animal is a nuisance and to require removal. No person owning or having custody of a permitted animal shall allow the animal to stray or go upon another Owner's Lot without the consent of such other Owner. No animals shall be permitted on or in the Common Area at any time except as permitted by the rules and regulations of the Association or by applicable law. All animals shall be on a leash when outside the Owner's Dwelling. The owner of a permitted animal shall be responsible for removing and cleaning up any excrement deposited by such animal on any Lot or the Common Area.

Section 5. Parking. No Owner or a member of his family, lessee or sub-lessee or guest of an Owner shall: (i) park or keep on any Lot or street within or adjoining the Subdivision any abandoned, partly dismantled or inoperative vehicle or vehicle not having current registration and inspection stickers displayed; or (ii) park or keep on any Lot or any street within or adjoining the Subdivision any boat or boat trailer, utility or other trailer, recreational vehicle, motor home, camper, bus, truck in excess of one ton weight, commercial vehicle, truck or van, or anything else other than a vehicle normally intended for use as a private passenger vehicle. For purposes of the preceding sentence, the term "keep" shall mean the occasional presence for a period of not more than three (3) consecutive days.

The Board of Directors shall have the right and authority to make, implement and enforce such additional parking rules and regulations as it might determine from time to time necessary or appropriate, and shall have the right and authority to enforce same, including, but not limited to, the right to levy fines for violations thereof. Furthermore, the Association shall have the right and authority to have towed any vehicle parked or maintained in violation of these or subsequently-adopted parking rules and regulations, and the cost of towing and storage shall be the responsibility of the Owner of the Lot to which such vehicle is registered or the Owner of the vehicle, as appropriate.

Notwithstanding the foregoing, no vehicle of any type or size which transports inflammatory or explosive cargo or which stores or transports materials or substances defined as hazardous or toxic by any applicable legal requirements shall be kept or stored or allowed to remain in or on the Properties at any time, except as may be required to effectuate transportation or removal of such prohibited materials and substances through or from the Properties, or, with respect to explosive materials, as may be reasonably required in connection with the construction or installation of streets and utilities in the Properties, or as may be allowed by Declarant, during the Declarant Control Period, and thereafter, the Board, when reasonably required for the construction of other improvements within the Properties.

The foregoing restrictions shall not apply to sales trailers, construction trailers, or other vehicles which may be used by Declarant or a Builder and their agents and contractors in the conduct of their business prior to the completion of sales.

Section 6. Antennae and Roof Structures. No television, radio or other electrical towers, aerials, antennae, satellite dishes, or other devices of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennae specifically covered by 37 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time. The Association shall be empowered to adopt rules governing the types of antennae that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae.

To the extent that the reception of an acceptable signal would not be impaired, an antenna permissible pursuant to rules adopted by the Association may be installed only if it: (i) is located in the rear or side yard of the Lot; (ii) is not visible from any street (whether by location or screening); and (iii) is integrated with the Dwelling and surrounding landscape.

Section 7. Garbage; Unsightly Storage. All trash and rubbish shall be kept in trash and/or garbage roll carts which shall be stored in the garage only, except as otherwise provided herein. No trash, rubbish, stored materials, wrecked or inoperable vehicles, or any other unsightly items shall be allowed to remain on any Lot; provided, however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish, and other debris for collection by governmental or other similar garbage and trash removal units. In the event of curbside trash and/or garbage pickup, trash and/or garbage roll carts may be moved to the street on the night before the scheduled pickup, but all garbage roll carts must be returned to the garage the night of the scheduled pickup.

Section 8. Fences. Any fence or wall installed within the Subdivision must meet all requirements of any applicable zoning ordinance and must be approved as provided in the Declaration. Chain-link fences will not be permitted. Nothing in this paragraph shall be deemed to apply to or regulate retaining walls made necessary by the slope or grade of any Lot nor to any fence installed by the Declarant at any entrance to or along any street within the Subdivision.

Section 9. Fines. The Board of Directors, in accordance with the Bylaws, shall have the right and authority to levy fines or penalties for the violation of any provision of this Declaration and/or the rules and regulations hereafter promulgated by the Board pursuant thereto. Any monetary fine or penalty shall be deemed a limited special assessment against the Lot of the Owner against whom such fine or penalty is assessed.

Section 10. Rental of Units. Any lease or sublease must be for at least twelve (12) months, in writing and contain the following provision:

“Tenant shall obey, adhere to and be bound by all provisions of the Declaration of Covenants, Conditions, Restrictions, Easements, Charges And Liens For Gill Farm, recorded in the Franklin County Registry. Tenant acknowledges that he has received a copy of such Declaration and the rules and regulations of the Association and is familiar with the provisions of same.”

If an Owner fails to include said provision in any lease or sublease, it shall be conclusively deemed to be included and part of said lease or sublease.

Section 11. Mailboxes. Pursuant to the requirements of the U.S. Postal Service (“USPS”), Declarant will construct within the Subdivision one or more centralized or cluster mail box structures or kiosks, and the USPS will deliver mail only to such centralized mail boxes. No mailbox shall be placed or maintained on any Lot, unless Owner is expressly required to do so by the USPS or the County.

Section 12. Signs. Except as otherwise required by the Code, no sign of any kind shall be displayed to the public view on any Lot except not more than one (1) sign of not more than six (6) square feet advertising the Lot and Dwelling for sale or rent, and not more than two (2) signs of not more than six (6) square feet expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election, provided that such political signs shall not be placed on a Lot earlier than sixty (60) days before such election and shall be removed within two (2) days after such election. No sign of any kind shall be displayed on the

Common Area without the prior written consent of the Association. Notwithstanding the foregoing, Declarant shall have the right to erect and maintain signs of any type and size on any Lot which it owns and on the Common Area in connection with the development and sale of the Properties.

Section 13. Swimming Pools. No above-ground swimming pools are permitted within the Properties, except that small, inflatable wading pools shall be permitted in the back yard of a Dwelling.

Section 14. Miscellaneous. No window placed air conditioning unit or evaporative cooler shall be allowed. No sports equipment, including but not limited to, basketball goals shall be placed in any street within the Subdivision.

ARTICLE XI GENERAL PROVISIONS

Section 1. Enforcement. The Association and each Owner (including the Declarant) shall have the right to enforce, by proceeding at law or in equity, all restrictions, conditions, covenants, rules, regulations, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, the Act, the Bylaws or rules and regulations adopted by the Association. Failure by the Association or an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

The Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement actions, or any case in which the Board reasonably determines that the cost of enforcement outweighs the benefit to be gained by enforcement. Any such determination shall not be construed as a waiver of the right to enforce such provisions under other circumstances or to estop the Association from enforcing any other covenant, restriction or rule.

Section 2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or altered by a vote of the Owners as set forth below. During the Declarant Control Period, the Declarant may amend this Declaration, without the consent or joinder of the Members or the Association, for any purpose. This Declaration may also be amended during the first twenty-five year period by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots, and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots. No amendment shall be effective unless it has been recorded in the office of the Register of Deeds of Franklin County.

Section 3. Subdivision of Lots. No Lot within the Subdivision may be subdivided by sale or otherwise so as to reduce the total Lot area shown on a recorded plat of the Subdivision, except with the consent of the Declarant during the Declarant Control Period, and thereafter by the Association, and, if required, by the County. Subdivision or recombination of any Lot(s) may, as appropriate, increase or decrease the number of votes in the Association.

Section 4. Rules and Regulations. The Board of Directors shall have the authority to adopt additional rules and regulations governing the use of the Common Area and the Lots and shall furnish a written copy of said rules and regulations to the Owner(s) of each Lot at least fifteen (15) days before such rules and regulations become effective.

In addition to any other rights and remedies that the Association may have under this Declaration, the Association may impose sanctions for violations of this Declaration, the Bylaws of the Association, the rules and regulations adopted by the Association, or the restrictive covenants and other use restrictions applicable to the Properties, in accordance with procedures set forth in the Bylaws, which sanctions may include, but are not limited to, reasonable monetary fines, which fines shall be deemed a limited special assessment and a lien upon the Lot of the violator, and suspension of the right to vote and the right to use any recreational facilities within the Common Area; provided, however, that the Association may not suspend such Owner's right of access to or any utilities servicing his Lot.

In addition, pursuant to procedures provided in the Bylaws, the Association may exercise self-help to cure violations (specifically including, but not limited to, the towing of Owner and tenant vehicles that are in violation of parking rules) and may suspend the right of an Owner to use any Common Area if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association, provided, however, that the Association may not suspend such Owner's right of access to or any utilities servicing his Lot.

The Association shall have the right and easement to go upon any Lot for the purposes of exercising its rights hereunder, including, but not limited to, enforcement of the architectural guidelines applicable to the Properties. Any entry onto any Lot for purposes of exercising this power of self-help shall not be deemed as trespass. All remedies set forth in this Declaration and the Bylaws shall be cumulative of any remedies available at law or in equity. In any action to enforce its rights and remedies, the party prevailing in such action shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

Section 5. Condemnation/Casualty. If all or any part of the Common Area and improvements thereon is taken by power of eminent domain or is damaged or destroyed by fire or other casualty, the proceeds of the condemnation award or any insurance policies covering such improvements shall be payable to the Association. The Board of Directors shall propose to the Members, at an annual or special meeting held within sixty (60) days after the date of the condemnation or casualty, whether or not to reconstruct the improvements. The insurance proceeds shall be used to reconstruct the improvements except as provided in §47F-3-113(g) of the Act, in which event the proceeds shall be retained by the Association for operation expenses or reserves, as determined by the Board or the Members. Nothing in this Section shall prevent the Board from proposing and the Members from approving the use of such proceeds for construction of different improvements, e.g., playground on Common Area in lieu of a destroyed club house.

Section 6. Association Contracts and Leases During Declarant Control Period. All Association contracts and leases made during the Declarant Control Period which extend beyond the Declarant Control Period must: (i) be for a term of two years or less; (ii) be terminable without

penalty by the Association upon no more than ninety (90) days written notice; and (iii) be commercially reasonable and made with an entity not affiliated with the Declarant.

Section 7. Evidence of Member Approval. In the event that any action requires evidence of consent of the Members or a specified percentage of the Members, such approval shall be conclusively presumed if supported by a Certification signed by the President or Secretary of the Association in substantially the following form:

 CERTIFICATE OF GILL FARM HOMEOWNERS ASSOCIATION, INC.

This is to certify that, upon proper notice given a [the] Special [Annual] Meeting of the Members of the GILL FARM HOMEOWNERS ASSOCIATION, INC., was held on [Date and Year] at [Time]. The purpose [One of the purposes] of the meeting, as set forth in the Notice of Meeting, was to: [State action for which Member approval is required.]

At such meeting, at which a quorum was present, in person or by proxy, a total of _____ votes were cast: _____ votes were cast in favor of such action, and _____ votes were cast against such action. Accordingly, the motion to approve [described the action approved] was approved by at least _____% of the Members as required by the Declaration and Bylaws of the Association.

 [President/Secretary]

Section 8. Number and Gender. Whenever the context requires, the singular shall include the plural, and *vice versa*, and one gender shall include all.

Section 9. Captions. Captions are for the purpose of reference only and shall not be deemed to be in any manner interpretive of any provision of this Declaration.

Section 10. Severability. If any provision of this Declaration is held by a court of competent jurisdiction to be invalid or void, such provision shall be deemed severable from the remaining provisions of the Declaration and shall not be deemed to nullify or affect and other provision hereof. If any such provision is deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

If any item, term or provision contained in this Declaration is in conflict with any applicable federal, state or local laws, this Declaration shall be affected only as to its application to such item, term or provision, and shall in all other respects remain in full force and effect.

Section 11. Conflicts. In the event of a conflict between this Declaration and the Article of Incorporation of the Association, the Articles of Incorporation shall control. In the event of a conflict between this Declaration and the Bylaws, this Declaration shall control. Specific provisions shall control general provisions. Notwithstanding the foregoing, a construction consistent with the Act, the North Carolina Nonprofit Corporation Act (N.C.G.S. Chapter 55A), and the Code shall in

all cases control over any construction inconsistent therewith. The provisions of the Act and the Nonprofit Corporation Act shall in all cases control any conflicting provisions of the Code.

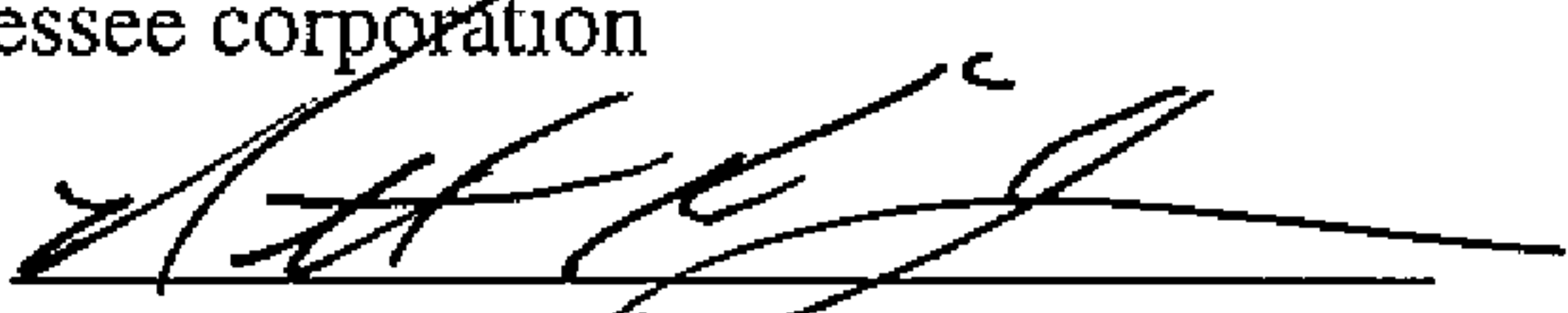
Section 12. Rule Against Perpetuities. As provided in §47F-2-103(b) of the Act, the rule against perpetuities may not be applied to defeat any provision of the Declaration, Bylaws, or rules and regulations adopted pursuant to thereto and §47F-3-102(1) of the Act. In the absence of the protection provided in §47F-2-103(b) of the Act, if any provision of this Declaration violates any applicable rule against perpetuities, such provision shall be deemed amended to be and remain in effect for the maximum period of time that such provision could be in effect without violating the applicable rule against perpetuities.

Section 13. Security Measures. Neither the Declarant, the Association nor the Board shall have any responsibility for establishing or maintaining any security measures within the Property, such measures being the sole responsibility of each Owner, as to his Lot and property, and to the appropriate public officials including, without limitation, the Apex Police Department.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed in its name by its duly authorized officer or Manager, as of the date set forth in the notary acknowledgment below.

DECLARANT:

Clayton Properties Group, Inc.
a Tennessee corporation

By: 

Name: Matt Kaufmann

Title: Assistant Secretary

State of North Carolina - County of Wake

I certify that the following person(s) personally appeared before me this day and acknowledged to me that he voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: **Matt Kaufmann**

Date: 5-10-2019

[Official Seal]


Katherine Conner Lusk Notary Public
(Print Name)
My Commission Expires: 5-30-2021

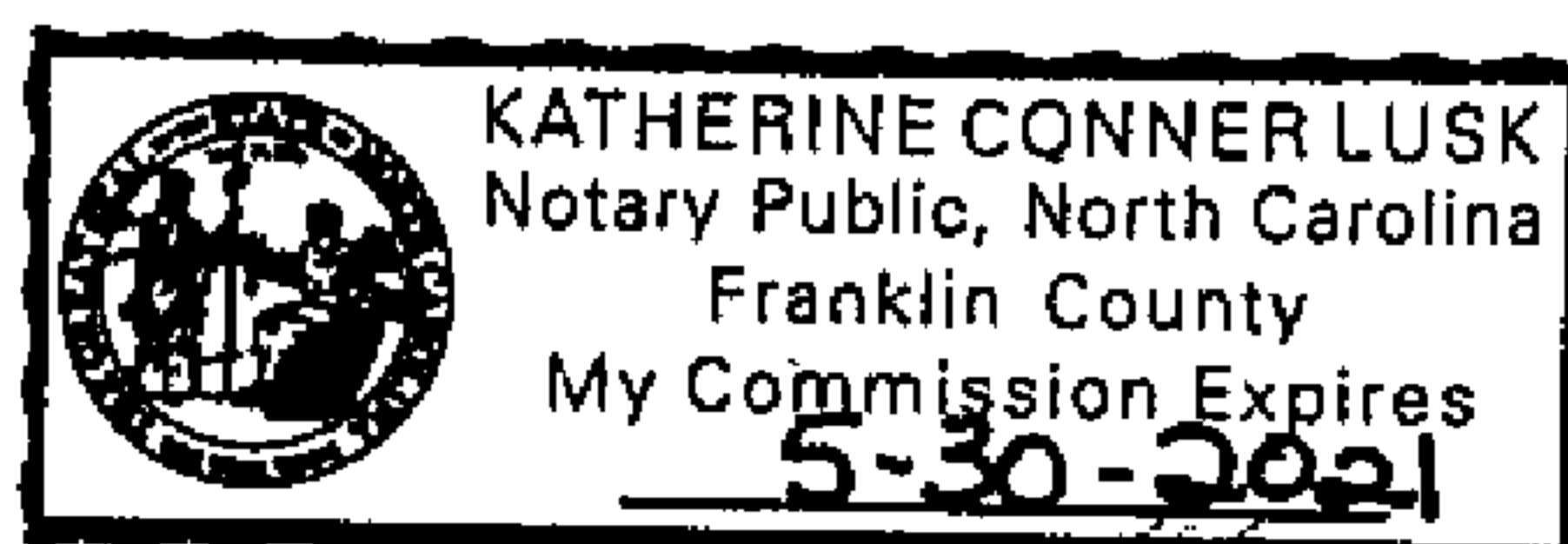


EXHIBIT A

All of Tract 2, containing 37.295 acres as shown on a map entitled "Survey for Richard B. Gill III" and recorded in Book of Maps 2018, Page 238, Franklin County Registry.

**Introduction,
General Information,
And Design Guidelines**

For

**Genesis Product Subdivision's
Arch Guidelines**

July 2020

Introduction and General Information	Section-Page
Introduction	1.01-4
Architectural Committee	1.02-6
Enforcement	1.03-10
Disclaimer	1.04-15
 Guideline Summary	
Types of Changes Which Require Submittal	1.10-16
Specific Changes Which Do Not Require Submittal	1.10-17
Specific Changes/Items which are prohibited	1.10-17
 Procedure for Requesting Architectural Approval	
Application Instructions	2.01-19
The Appeal Process	2.02-21
 Architectural Standards	
Birdbaths, Bird feeders, Bird-houses and Fountains	3.01-24
Building Addition or Exterior Architectural (incl. doors, gutters)	3.02-25
Decks	3.03-27
Drainage	3.04-29
Exterior Freestanding Detached Structure (incl. pet houses)	3.05-30
Fences	3.06-32
Flags	3.07-34
Garbage Can Containment, Screens and Other Enclosures	3.08-35
Landscaping	3.09-37
Lighting (Exterior)	3.10-41
Maintenance	3.11-43
Painting (Exterior)	3.12-44
Parking	3.13-45
Parking Pads & Driveway	3.14-46
Pets	3.15-47
Playground and Recreational Equipment	3.16-48
Playhouses	3.17-50
Pools, Hot Tubs, Saunas, etc.	3.18-51
Rain Barrels	3.19-52
Retaining Walls	3.20-53
Roofing, Roof Accessories & Equipment	3.21-54
Satellite Dishes and Antennas	3.22-55
Setbacks & Yards	3.23-60
Siding	3.24-61
Signs	3.25-62
Solar Panels	3.26-63

Architectural Control

Table of Contents

Walkways and Patios	3.27-64
Woodpiles, etc.	3.28-65
Yard Sales	3.29-66
Construction Guidelines	4.00-67
Limitation of Liability	5.00-68
Allowed Fencing Types	Pages 69-70

Introduction

A. Purpose of Design Guidelines

The Design Guidelines (“Design Guidelines”) for your subdivision provide an overall framework and comprehensive set of standards and procedures for the development of the Community in an orderly and cohesive manner. These standards have been developed to assist in the landscaping and Architectural of Units within your subdivision; these standards do not cover the initial construction of Units within the neighborhood. The standards set forth criteria for design, style, materials, colors and location of site improvements, landscaping, signage and lighting. In addition, the Design Guidelines establish a process for review of proposed Architectural to Units to ensure that all sites within the Community are developed and maintained with the consistency and quality that attracted you to this Subdivision in the first place.

B. Governmental Permits

To the extent that Municipal ordinances or any local government ordinance, building code or regulation requires a more restrictive standard than the standards set forth in these Design Guidelines or the Declaration of Covenants, Conditions, and Restrictions for neighborhood (the “Declaration”), the local government standards shall prevail. To the extent that any local government standard is less restrictive, the Declaration and the Design Guidelines (in that order) shall prevail.

C. Preparer

These initial Design Guidelines have been prepared by the “Declarant” and adopted by the Declarant pursuant to the Declaration. The Design Guidelines may be changed and amended to serve the needs of an evolving community pursuant to the procedures set forth in the Declaration.

D. Applicability of Design Review

Unless otherwise specifically stated in the Declaration or these Design Guidelines, all plans and materials for major landscaping or exterior Architectural of improvements on a Unit must be approved before any construction activity begins. Unless otherwise specifically stated in these Design Guidelines, no structure may be erected upon any Unit (other than the original residence initially constructed upon such Unit), and no improvements (including staking, clearing, excavation, grading and other site work, exterior alteration of existing improvements) shall take place without receiving the prior written approval of the Architectural Committee (the “AC”) as described below. Where these Design Guidelines specifically allow an Owner to proceed without advance approval, such allowance shall only be effective so long as the Owner complies with the requirements of the stated guideline.

Owners are responsible for ensuring compliance with all standards and procedures within these Design Guidelines. Owners are also governed by the requirements and restrictions set forth in the Declaration and any applicable Supplemental Declaration. In particular, Owners should review and become familiar with the Use Restrictions applicable to your HOA Guidelines set forth in the Declaration, which address restricted and prohibited activities and conditions within the Community.

These Design Guidelines shall not apply to the activities of the Declarant, or to improvements to the Common Area by or on behalf of your neighborhood Homeowner's Association, Inc. ("Association").

Review Structure

The powers of the AC will remain with the Declarant until such time as the Declarant has transferred control of the HOA to the homeowners. The powers of Architectural control can be through the Architectural Committee (the "AC"), whose members shall be appointed by the Board of Directors of the Association ("Board" or "BOD").

The AC has exclusive jurisdiction over all matters relating to Architectural to existing structures and landscaping, as set forth in the Declarations. The AC shall review plans and specifications for all Architectural and landscaping on any Unit, shall be the conclusive interpreter of these Design Guidelines, shall monitor the effectiveness of these Design Guidelines, and may promulgate additional design standards and review procedures consistent with these Design Guidelines.

Architectural Committee

DESIGN REVIEW PROCEDURES

Review of Architectural

The review of Architectural shall require the submission of an application to the Property Management Company who will forward the application to the AC for review. Depending on the scope of the Architectural application, the AC may require the submission of all or some of the plans and specifications listed below. In the alternative, the AC may require a less detailed description of the proposed Architectural.

Plans to be Reviewed

The AC will require one set of any of the following plans for Architectural, if applicable to the proposed Architectural, in addition to the submission of an application and possible pictures.

Survey Map

An official recorded survey map/plot plan of the property, showing the property lines and the exact placement of the dwelling. This is a requirement for almost all types of applications (one exception would be painting requests)

Floor Plan

Showing decks, patios, stoops, retaining walls related to the residential dwelling, trash enclosures, HVAC equipment and utilities, and the screening for same, interior spacing of rooms, and connections to driveways and walkways.

Elevations

Front, rear and side exterior elevations showing building materials and finishes, and indicating the maximum height of the residential dwelling.

Roof Plan

Showing slopes, pitches and gables, unless reflected in the other plans.

Exterior Finishes

Showing the exterior color scheme (including manufacturer, paint number, samples and color chips, if applicable), lighting scheme and other details affecting the exterior appearance of the proposed improvements.

Landscaping Plan

Showing location of trees, protection of existing vegetation, use of plants, and other landscaping details.

Other

Such other information, data, and drawings as may be reasonably requested, including, without limitation, irrigation systems, drainage, lighting, satellite dish placement, landscaping, and other features.

Review Criteria; Recommendations Variances

While the Design Guidelines are intended to provide a framework for Architectural changes, the Design Guidelines are not all-inclusive. In its review process, the AC may consider the quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, among other things. The decisions of the AC may be based on purely aesthetic considerations; provided, the AC shall not grant approval for a proposed Architectural application that is inconsistent with the Design Guidelines unless the AC grants a variance. Each Owner acknowledges that opinions on aesthetic matters are subjective and may vary as members of the AC change.

The AC shall have the authority from time to time to adopt and revise lists of recommended landscape materials. The AC may, in its sole discretion, provide that the lists of recommended materials constitute “approved materials” and that the installation of such materials requires no approval. Alternatively, the AC may provide that the purpose of the list(s) is merely to provide guidance and that installation of recommended materials does not relieve the Applicant from any obligations set forth in these Design Guidelines to acquire approval prior to installation.

Variances may be granted in some circumstances (including, but not limited to, topography, natural obstructions, hardship, or environmental considerations) when deviations may be necessary. The AC shall have the power to grant a variance from strict compliance in such circumstances, so long as the variance does not result in a material violation of the Declaration (Covenants). No variance shall be effective unless in writing, signed by the liaison of the AC with the support of a majority of the members of the AC.

Review Period

Each application and plan submittal shall be approved or disapproved within 30 days of receipt of all materials required by the AC. The plans, if requested by the applicant, shall be returned to the Applicant, accompanied by the AC’s decision. Two copies of the plans shall be retained for the Management Company’s and the AC’s records. The AC’s decision shall be rendered to the homeowner by the Property Management Company in writing using an architectural control response form:

Approved – The entire application as submitted is approved.

Conditionally Approved – The application is not approved as submitted, but the AC's suggestions for curing objectionable features or segments are noted. The Applicant must correct the plan's objectionable features of segments, and the Applicant may be required to resubmit the application and receive approval prior to commencing the construction or alteration.

Disapproved – The entire application as submitted is rejected in total. The AC will provide comments regarding its decision.

If the AC fails to respond within 30 days from receipt of completed application (receipt shall be defined as the date stamped on the application upon receipt and upon email receipt to applicant), application shall be deemed approved. The AC makes every effort to approve all applications within 30 days of receipt but it is the homeowner's responsibility to follow up with Property Management Company and check on the status of their application. All Architectural must be consistent with the Declaration or the Design Guidelines, unless the AC has granted a written variance.

As a condition of approval under this Section, each Owner and all successors-in-interest shall assume all responsibilities for maintenance, repair, replacement, and insurance to and on any change, Architectural, addition, or alteration. The AC may require an Owner to acknowledge such responsibilities in a recordable written instrument.

Appeal

Any Applicant shall have the right to appeal a decision of the AC by resubmitting the information, documents set forth above; however, such appeal shall be considered only if the Applicant has altered the plans for Architectural or has new information which would, in the AC opinion, warrant reconsideration. If Applicant fails to appeal a decision of the AC to the Board of Directors, the AC decision is final. In the case of a disapproval and resubmittal, the AC shall have 15 days from the date of each resubmittal to approve or disapprove any resubmittal. The filing of an appeal does not extend any maximum time period for the completion of any Architectural. See Section 2.03 for further information regarding the appeal process.

Municipality Approval

The review and approval of plans and specifications shall not be a substitute for compliance with the permitting and approval requirements of County or other governmental authorities. It is the responsibility of Applicant to obtain all necessary permits and approvals.

Implementation of Approved Plans.

All work must conform to approved plans. If it is determined by the AC that work completed or in progress on any Unit is not in compliance with these Design Guidelines or any approval issued by the AC, the AC shall, directly or through the Board of Directors, notify the Owner in writing of such noncompliance specifying in reasonable detail the particulars of noncompliance and shall require the Owner to remedy the same. If the Owner fails to remedy such noncompliance or fails to commence and continue diligently toward achieving compliance within the time period state in the notice, then such noncompliance shall be deemed to be in violation of the Declaration and these Design Guidelines.

Time to Commence

If construction does not commence on an Architectural for which plans have been approved within 3 months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Applicant to resubmit the plans to the AC for reconsideration. The Applicant may request an extension of the commencement time period not less than three days prior to the expiration of that time period, which the AC may approve or disapprove, in its sole discretion.

Time to Complete

The AC shall include in any approval a maximum time period for the completion of any Architectural. If no maximum time period is specified in the approval, the Architectural shall be completed within 6 months of its commencement. The Applicant may request an extension of such maximum time period not less than three days prior to the expiration of the maximum time period, which the AC may approve or disapprove, in its sole discretion.

Changes after Approval

All proposed changes to plans, including changes that affect the exterior of any building, colors, windows, grading, paving, utilities, landscaping or signage, made after the approval of plans must be submitted to and approved in writing by the AC prior to implementation. Close cooperation and coordination between the Applicant and the AC will ensure that changes are approved in 15 days.

If your municipality or any other authority having jurisdiction requires that changes be made to final Architectural plans previously approved by the AC, the Applicant must notify the Property Management Company of such changes/requirements and receive approval from the AC prior to implementing such changes.

Enforcement

Enforcement/Waiver

In the event of any violation of these Design Guidelines, the Declarant or the Board may take any action set forth in the By-Laws or the Declaration, including levying a Specific Assessment pursuant to the Declaration. The Declarant or the Board may remove or remedy the violation and/or seek injunctive relief requiring the removal or the remedying of the violation. In addition, the Declarant or the Board shall be entitled to recover the costs incurred in enforcing compliance and/or impose a fine against the Unit upon which such violation exists.

When there is a documented violation on any property in your community, no further architectural requests can be submitted to or processed by the AC, unless all previous violations have been corrected for that property.

Approval of plans for any proposed Architectural shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals subsequently submitted for approval.

1. Management Company

- a. The Management Company, under contract to your Homeowner's Association, shall be responsible for conducting field inspections of subdivision to identify problem areas and violations. Inspection reports consisting of all sections shall be included in Board packets for all members of the Board of Directors. Inspections identifying areas requiring immediate action shall either be acted upon immediately by the inspector, reported to the Community Manager for appropriate action, or the appropriate liaison notified as soon as possible.
- b. The Management Company shall receive complaints from any source regarding problem area and violations requiring possible enforcement action in your neighborhood. The Management Company shall document all complaints received and forward them to the appropriate person(s) for action or act upon them depending upon the nature of the complaint.
- c. The Management Company shall perform those functions related to enforcement action as directed by the Board.
- d. The Management Company shall keep appropriate committee liaisons informed and keep the Board informed through the President or other designated person(s), and by other appropriate means, of enforcement actions taken and of potential problem areas where enforcement may become necessary.

The Enforcement Process:

1. Identification and Investigation of Violations:

- a. For architectural violations, the AC and the Management Company are primarily responsible for identification of violations and investigation to determine if an architectural violation has occurred.

2. Enforcement Action:

- a. Architectural Control Violations
 - 1) For enforcement action involving Architectural Control Violations, the Management Company is primarily responsible for initial enforcement action regarding minor architectural or landscaping changes without AC approval and architectural or landscaping changes begun or completed after application for AC approval but before actual approval.
 - 2) For enforcement action involving major architectural or landscaping changes without AC approval and architectural or landscaping not consistent with AC approval, the Management Company is primarily responsible for initial enforcement action as approved by the AC.

Architectural Control Enforcement

• The AC has authority under the covenants to:

- a. Enter and inspect any property for the purpose of determination by the AC whether there exists any construction of any improvement, which violates the term of any approval of the AC or the terms of the Covenants. This power shall be exercised in a reasonable manner and nonconsensual entries shall not be made without express approval of the Board of Directors.
- b. Enforce architectural standards.
- c. In its discretion, release existing improvements from restrictions or encroachments they violate in appropriate circumstances.
- d. In its discretion, grant waivers for minor deviations and infractions if appropriate.

• The Architectural Enforcement Process:

- a. The AC shall maintain close liaison with the Management Company to identify violations and to process complaints in a timely manner. Field inspection reports, related to architectural violations, are reported to The Board of Directors by the Management Company in their monthly report. The AC shall also initiate proactive measures to identify violations and report them to the Management Company.

- b. All complaints received by the Management Company alleging architectural violations shall be investigated on a property inspection; the President of the Board of Directors may also be contacted.
- c. All complaints received by members of the AC alleging architectural violations shall be reported to the Management Company.
- d. All complaints received by members of the Board of Directors alleging architectural violations shall be reported to the Management Company.
- e. Upon receipt of information concerning potential or alleged architectural violations, the AC shall determine the nature of the violation within the following categories:
 - 1) Architectural or landscaping changes without AC approval.
 - 2) Architectural or landscaping changes not consistent with AC approval.
 - 3) Architectural or landscaping changes begun or completed after application for AC approval but prior to actual approval.
- f. The AC may investigate alleged violations or may request the Management Company to conduct such investigations. In appropriate cases, professional technical assistance, such as engineers, may be used if approved by the Board of Directors in advance. The President of the Board of Directors shall be notified of the initiation of such an investigation as soon as possible. The different categories of violation shall require different investigative responses.
 - 1) **Major architectural or landscaping changes without AC approval** such as construction of a deck, fence, parking pad or other structure; cutting a substantial number of trees; filling large areas; or similar major changes shall require a formal, comprehensive investigation with full documentation in their files relevant to the allegations or verify that no request was submitted. The Management Company, the AC, or both, shall make visual observations of the alleged violation to the extent possible. Photographs should be taken if feasible. Interviews of the owners involved may be conducted if appropriate in the circumstances, but at least two members of the AC or Board of Directors or Management Company should be present and no promises should be made during the interview. Other investigative actions may be taken as appropriate. In cases of **Minor architectural or landscaping changes without AC approval**, the AC shall investigate or refer these cases to the Management Company for investigation, at their discretion.
 - 2) **Architectural or landscaping changes not consistent with AC approval.** In these cases, the Management Company shall compile a packet for the AC or Board of Directors of all architectural requests and other documentation in their files relevant to the alleged violation and forward it to the liaison of the AC or Board of Directors. The AC or Board of Directors shall conduct an investigation or ask the Management

Company to conduct such an investigation to verify that the improvements were actually not consistent with the AC approval.

- 3) **Architectural or landscaping changes begun or completed after application for approval but prior to actual approval.** The AC shall investigate or cause the Management Company to investigate these allegations as quickly as feasible if the work is still in progress. If the work has been completed, the investigation shall proceed as determined by the AC.

g. **Notice:**

- 1) The Management Company will mail one notice to any owner in violation, noting the violation and requesting compliance by a certain date to avoid penalties. In the case of work in progress, a letter shall be sent by the Management Company within 1-3 business days informing the appropriate persons to cease the work immediately, explaining the violation and, in addition, giving the violator a set but reasonable amount of time to correct the violation.
- 2) A site inspection will be performed after the date outlined in the notice. If the violation has been corrected, the matter will be closed. A remaining violation will result in further compliance actions. Normally only one notice would be provided, but the AC, with Board approval may extend the grace period based on individual circumstances or issue subsequent notices if necessary.

h. **Enforcement options** shall include the following:

- 1) If the corrective action demanded by the notice is taken within the specified time and completed in a satisfactory manner, no further enforcement options will normally be appropriate.
- 2) If work is not ceased upon demand, corrective action demanded is not taken within the specified time, or the corrective action taken is not satisfactory, the following actions may be appropriate:
 - Place a hold on all other pending architectural request submitted by the homeowner
 - Impose fines in Accordance with the North Carolina Planned Community Act.
 - With approval of the Board of Directors, seek a temporary restraining order or injunction to stop any continuing work.
 - Require further corrective action.
 - Demand that unapproved architectural or landscaping changes be removed within a specified, but reasonable, period of time and impose fines if not accomplished by the applicable deadline.

- With the approval of the Board of Directors, hire appropriate contractors to correct the situation and charge the property owner, beyond any fines, for the cost of such corrective action.
- After notice and opportunity to be heard by the Board, suspend a member's voting rights and/or rights to use Association facilities for noncompliance with published rules and regulations of the Association.
- Other corrective actions that may be appropriate in the particular situation.

Disclaimer

The Association, Declarant, AC, or any officer, employee, agent, director or member thereof shall not be liable for damages to any persons submitting plans and specifications for approval by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval, disapproval or failure to approve any plans and specifications. *Every person who submits plans and specifications for approval agrees, by submission of such plans and specifications, that it will not bring any action or suit against the Association, Declarant, or AC to recover any such damages.*

The purpose of the Architectural Standards is to provide guidance in preparing requests for architectural approval and set forth some of the standards applied by the AC. **These Architectural Standards are not all-inclusive and no inference should be made that the failure to include a particular type of exterior or landscaping change somehow exempts that change from the approval process.**

If any paragraph, section, sentence, clause or phrase of these Standards shall be or become illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections, clauses, and phrases are severable and shall continue to be in full force and effect. In case of any conflict between the Declaration of Master Covenants, Conditions and Restrictions for your Homeowners Association, the By-Laws of your Homeowner's Association, Inc. and these Standards, and other resolutions or rules adopted by the Board of Directors, the covenants shall prevail and thereafter, the Board shall determine which shall control and make corrections as needed by a majority vote.

These Standards supersede all previous guidelines or standards, and shall remain in effect until otherwise rescinded, amended, modified, or repealed by a majority of the Board of Directors.

Guideline Summary

It is the interpretation of your Homeowners Association that the provisions of these Guidelines apply to a wide variety of aesthetic considerations in the community. Every attempt has been made to include those considerations which have the potential to impact property values.

The following are examples of the types of changes, additions or deletions that would either:

1. **REQUIRE** submittal of an “*Architectural Request Form*”.
2. **NOT** require a submittal, or
3. Are **PROHIBITED**

While every effort has been made to identify all aspects of change, the owner who has doubt if his/her situation is adequately addressed should contact the AC for guidance.

Throughout this document the term “*changes*” shall include additions and deletions.

A. Types of changes which **REQUIRE** submittal/approval:

1. Changes to the exterior of the home, such as:
 - a. Addition of:
 - i. Awnings
 - ii. Decorative lighting
 - iii. Porches
 - iv. New living space/room additions (**please note: Garage conversions are prohibited**)
 - b. Appearance, such as:
 - i. Color
 - ii. Materials (such as siding)
2. Other exterior changes, such as:
 - + Outdoor Buildings
 - + Decks and patios
 - + Driveway extensions and parking pads
 - + Enclosures
 - + Fences and privacy screens
 - + Major landscaping, including retaining walls
 - + Bird baths, fountains, bird feeders and bird houses
 - + Parking
 - + Play sets, swing sets, etc.
 - + Other recreation or sport equipment (e.g., trampolines, basketball goals, etc.)
 - + Structures
 - + All tree removal

B. Specific changes which **DO NOT** require a submittal (Please note that when the set specifications are not met, an application may be required. Please review each relevant section carefully):

- + Minor landscaping (**see specifications, Section 3.09**)
- + Non-permanent children's play equipment (excluding trampolines)
- + Periodic repainting and re-staining with the existing color for maintenance
- + Portable pools usable only by small children and located in rear yard
- + Small, discretely located, garden plots in rear yards
- + Small statues in the rear yard (**only if fenced and cannot be seen from street**)
- + Decorative/seasonal flags (**see specifications, Section 3.07**)

C. Special changes/items which are **PROHIBITED**:

- + Animals other than household pets
- + Chain-link, vinyl, wire fences
- + Commercial advertising signs (other than that of the Declarant/Builder for sales of homes in the neighborhood.
- + Encroachment on other property
- + Metal storage sheds or metal swing sets
- + Parking of vehicles or trailers on soft surfaces, such as grass
- + Permanent clotheslines
- + Unclean, unsightly, unkempt, unhealthy or unsafe conditions which tend substantially to decrease beauty or safety
- + Converting garages to living space
- + Window AC units

**Procedure
For Requesting
Architectural Approval**

Application Instructions

ARCHITECTURAL CONTROL APPLICATION INSTRUCTIONS

- STEP 1.** *Prior to any alteration, addition or improvement*, the property owner (not contractors or other parties) either requests the *Architectural Request Form* by phone or by mail from the Management Company. A n up to date version of the form can be obtained from your management company.
- STEP 2.** If requested from the Management Company, the Management Company will promptly forward the *Architectural Request Form* to the property owner.
- STEP 3.** *Prior to any alteration, addition or improvement*, the property owner completes the application form and provides applicable information as requested on the application form. Reference should be made to the Architectural Control Standards for specific information needed for the proposed improvement, addition or alteration. All parts of the form shall be filled out and all pertinent information shall be included in the submittal. Incomplete applications shall be returned for additional information.
- STEP 4.** The property owner sends the completed form, along with any attachments or supporting documents required by the Architectural Control Standards to the Management Company for processing. **Applications must be emailed or faxed.** Applications left elsewhere (e.g. with a member of the AC, with a member of the Board of Directors, or with any other officer of the Association) will not be processed.
- STEP 5.** The Management Company will check for completeness and if complete the application will be marked with the date it is received in the office. The Management Company will then copy or electronically scan and distribute the dated application to the AC for processing.
- Note:** The Management Company may elect to send the electronic or faxed copy of the form to a member of the AC for completeness review (such as the chairperson of the AC). In that case, if the submitted form is deemed acceptable, it will be immediately forwarded by the AC representative to the rest of the AC members for review. Otherwise, the Management Company will be notified and a list of the deficiencies will be provided.
- STEP 6. Complete Applications:** **Complete applications received by the Management Company will be considered and acted upon by the AC normally within 30 days.**
Note: An application may be received only on a regular business day.

Incomplete Applications: Applications that are submitted without all necessary attachments and supporting documents or with insufficient information shall be deemed administratively denied and returned to the applicant with a request for the missing documentation. Unless the architectural change is painting the house a different color, an official survey map is required with almost all applications. In addition, all supporting information regarding placement, dimensions, colors, materials, construction details, elevation info, etc. must be included, as necessary. Any calculation of time concerning the processing of an application will not start to run until the application and supporting documentation are complete. At that point, the Management Company will mark the application with a new (resubmission) date, copy or electronically scan and distribute the dated application to the AC for processing.

STEP 7. Committee members will review complete applications at a scheduled AC meeting or just communicate via email and approve or disapprove the application within thirty (30) days from receipt of the application by the AC. The AC may: (a) determine that an application is incomplete and request additional information, (b) approve the application, (c) conditionally approve the application, stating the conditions in writing, or (d) deny the application, stating the reasons for the denial in writing.

STEP 8. Upon its receipt of the Committee's decision on an application, the Management Company will mark the decision with the date that the decision is forwarded to the property owner and will then forward a copy of the decision to the homeowner. In the case of approval, the homeowner can begin the project immediately, as long as an approval has been received in writing. In the case of an administrative denial for insufficient information, the required information shall be listed on an appropriate form and provided to the homeowner. (Note: Any calculation of time concerning the processing of an application will not start to run until the application is complete.) In the case of approval with conditions, the conditions shall be listed on an appropriate form and provided to the homeowner and the homeowner may begin the project as long as the stated conditions are satisfied. In the case of "Disapproval" the reasons and/or requirements will be noted on the application. A property owner who is not satisfied with the Committee's decision on an application may (a) submit another different application (should the property owner want to resubmit another application, the thirty (30) day process starts again with each submittal) or (b) appeal the Committee's decision to the Board of Directors (Section 2.02).

The Appeal Process

A homeowner has a right to appeal a decision by the Architectural Committee (AC) to the Board of Directors (BOD). The BOD will interpret the covenants and bylaws in a judicial manner as they pertain to the Architectural application, the AC's ruling, and any other evidence or testimony. The homeowner must present a written statement, along with relevant evidence. During the appeal hearing, expert testimony may be heard by the BOD and the BOD has the ability to ask questions of the homeowner at this time. After reviewing statements and evidence, and hearing testimony, the BOD will confer and rule in private.

A. Notice of Denial:

Upon receipt from the AC of a final decision denying the homeowner's request, the Property Management Company shall forward the applicant a notice of denial of their request. The notice shall provide the applicant thirty (30) days to file an appeal of a final AC decision in writing to the Management Company. Administrative denials pending more information or for other reasons are not final decisions and are not appealable. Administrative denials are reconsidered by the AC and not the BOD. Once a final decision has been reached, then the time for appeal begins to run.

B. Homeowner: Notice of Appeal to the BOD

When a decision of the AC is appealed, the homeowner must submit the following to the Property Management Company:

- 1) A letter stating a summary of the application and justification for the appeal.
- 2) All supporting information.
- 3) If all their neighbors' signatures were not obtained before the application was submitted to the AC, the homeowner is now obligated to do so, in order to prove that none of their neighbors are against it. If a neighbor refuses to sign the application, the homeowner can still submit their appeal to the BOD; however, they must disclose the name(s) of the neighbor(s) that refused to sign, so that the Board can discuss the appeal with them and avoid possible future hostility.

Note: If any information is withheld by the homeowner during the architectural application or appeal process, it will be grounds for dismissal and will be given no additional opportunity for consideration.

C. Transmittal to the BOD

Upon receipt of the appeal by the Property Management Company, the original Notice of Appeal and all supporting paperwork shall be filed and copies will be sent to the Board of Directors and the Liaison of the AC. A copy of the Architectural Request, originally submitted by the homeowner must also be distributed to the above referenced members.

D. Appeal Process/Hearing

The board has the following duties:

- 1) Ensure the Architectural appeal is the same as the one presented to the AC.
- 2) Review all information.

- 3) Schedule a hearing on the appeal, normally in conjunction with a normal Board Meeting after all supporting information has been reviewed and within sixty (60) days of receipt of the Notice of Appeal. The homeowner should then be notified of the hearing date and time by the Property Management Company, so that they can be given the opportunity to appear in person and defend their application.
- 4) The AC Liaison (or appointed substitute) should be present during the BOD meeting. In the absence of the homeowner, the AC Liaison will first present to the Board the reasons the application was not approved and clearly define the problems, based on all available information.
- 5) If present, the homeowner will then defend their application in front the BOD. The AC Representative may be present during this time, but they are not allowed to participate in any of the conversations.

After conclusion of the meeting with the homeowner, the BOD should discuss their thoughts and any possible issues with the AC Representative, in the absence of the homeowner. If the BOD members do not have the necessary expertise to come to a decision, an outside (unbiased) expert on the subject must be consulted to assist them in their decision. If any neighboring properties are affected by the Architectural in question, all neighbors must be contacted, informed of the situation, and asked for their input, especially if they did not sign the original architectural request.

E. Decision of the BOD

No decision shall be rendered at the hearing. The BOD shall report their decision within fifteen (15) days of the hearing, based on a majority vote, in writing.

The BOD will provide a ruling, as listed below:

- Approve (overturn AC's decision)
- Disapprove (uphold the AC's decision)
- Request that the application be resubmitted to the AC with changes and/or more information.

A clear justification for the final decision must be provided. The Property Management Company shall forward copies of the Board's decision and justification to the applicant and the Liaison of the AC.

F. Conclusion of Appeal:

The AC has the following duties:

- 1) Submit debated issues, and relevant rule interpretations in written form to the BOD.
- 2) Upon return of an application to the homeowner by the BOD, if the appeal was turned down, the AC should, if necessary:
 - Help the applicant during the implementation process, or
 - Help the applicant amend the application to conform to the covenants/bylaws for resubmission to the AC.

The Applicant has the following duties:

- 1) Must submit a complete application.
- 2) Operate in good faith to adhere to the covenants and bylaws.
- 3) Build or modify property according to the outcome of the appeal.
- 4) Offer truthful disclosure of all issues regarding their application.

Architectural Standards

Bird Baths, Birdhouses, Birdfeeders, and Fountains

Appearance: All bird baths, birdhouses, birdfeeders, statues and fountains should be a pleasing appearance, ie, no fading, broken parts, must be kept clean and tidy.

Location: All bird baths, birdhouses, birdfeeders, statues and fountains shall be located in the rear of the house. They must be placed in a reasonable location where they blend in with their surroundings. Birdhouses and birdfeeders shall not be mounted or displayed on fences or other areas that are adjacent to other properties or the street (e.g. corner lots).

Requirements: *Please be mindful of your neighbors. Birdhouses and bird feeders must be placed in the rear of property. A maximum number of three birdfeeders and three birdhouses are allowed. Homeowners are expected to display all items in good harmony with our community. The Homeowners' Association reserves the right to request removal of birdhouses, birdbaths, bird feeders, statues and fountains if they are seen from the street. Corner lots must be mindful of this if they do not have a fence.*

Building Addition or Exterior Architectural

(Examples of additions include screened porches, sunrooms, new living space or storage areas that are physically attached to the main structure of the existing house. Examples of exterior Architectural include the addition of storm doors, gutters or similar Architectural.)

Appearance:

All building additions and/or Architectural will be reviewed on an individual basis. Generally, the AC will review materials, colors, location, scale and other details of the proposed addition or Architectural to determine compliance with the architectural intent of the existing structure and the relationship of the proposed neighborhood with specific emphasis given to the maintenance of a cohesive neighborhood architectural style that maintain the scale, detailing, materials, massing, color(s) and design intent of the original structure.

Location:

In general, with the exception of building Architectural, the location for building additions will be governed by the maximum building area that is defined by the local municipality in respect to the minimum setback requirements from the property line. However, the AC reserves the right to reject applications, which may meet the local municipality setback requirements but fail to meet the objectives of the AC. The ARC will review each application on an individual basis and approvals will be granted on this basis. Prior approval of an application does not guarantee subsequent approval on the same or another property.

Materials:

Materials for use on any building addition or Architectural must meet or exceed the quality of and be consistent with the materials used in construction of the original structure. Compliance with the **current** edition of the local municipality building codes will be considered meeting the **minimum** standards of construction. The AC reserves the right to require homeowners to **exceed** these standards if it is deemed necessary to maintain the architectural intent of the original structure. In general, the AC seeks to maintain the quality of materials and workmanship present in the original structure.

Requirements:

All building additions and Architectural shall maintain proper drainage on the site. If a building addition is planned or an Architectural, which will affect drainage, homeowners are required to provide an engineered plan that details drainage patterns and runoff as a result of the addition/Architectural. This must be in compliance with the original storm water design.

The changes specified below do not require approval if accomplished in accordance with the standards provided:

1. **Storm doors:** Properly installed storm doors that are full height glass without cross members, white in color with narrow stiles. Color must match trim or door color.
2. **Gutters:** When properly installed, white, pre-finished, or color consistent with the house trim, aluminum gutters do not require approval. Other colors or materials require submission of an architectural request for approval. In addition, if the gutters cause a change in normal runoff patterns and quantities sufficient to impact the drainage on adjacent properties, submission of an architectural request for approval is required.
3. No structure for the care, housing or confinement of any animal shall be constructed, placed or altered on any Unit unless plans and specifications for said property have been approved by the AC. No stable, poultry house, rabbit hut or other similar yard structure, with the exception of a doghouse, shall be constructed or allowed to remain on any Unit. No installation, construction or maintenance of other pet houses or pet runs shall be made.

Note: Homeowners are required to discuss with their neighbors any proposed additions to the property. A survey map of the property, complete plans (design, materials, colors, etc.) and neighbors' signatures (in view of the change) must be included with any architectural request. The AC reserves the right to interview the affected neighbors regarding the proposed addition.

*****Note: Converting garages into living space is prohibited*****

Decks

Appearance:

Decks may be stained with approved stain color. Natural colored, translucent stains may be used; however, no painting or solid-bodied staining of the wood will be permitted. Deck height is not restricted but is recommended to be no more than 15' in height from the ground. The size and styling of decks must complement the dwelling and be in proportion to the dwelling.

Location:

Unless integral to the plan of the home, all decking must be confined to the rear of the dwelling and must not protrude past the sides of the building. Size and deck appearance will be significant factors for the Architectural Committee to make such an exception. Decks must be within the minimum setback requirements of the local municipality; however, final placement and approval will be determined by the AC and may be more restrictive than the Town setback requirements.

Materials:

The deck shall be constructed of #2 or better pressure-treated lumber with galvanized hardware. A clear water seal is recommended but not a requirement for approval. However, it is recommended to use clear water seal or a color that matches the existing deck material. With approval from the Architectural Committee, exceptions to deck painting or stain color can be made on a case by case basis. In addition to wood, other materials, such as composite decking may be considered as alternatives to wood, in which case color coordination with the rest of the house is very critical.

Requirements:

A building permit must be obtained from the local municipality and all required inspections successfully completed. All decks must meet the building requirements from the local municipality, in addition to this guideline. Proper drainage must be maintained around the deck and away from the foundation. The area under the deck must be properly maintained (e.g. grass). Otherwise, if the deck is low on the ground, the area under the deck must be treated with weed and grass killer and covered with landscape fabric and mulch or gravel. A lattice (wood or vinyl) may also be an option around the deck but it needs to be included with the deck application for approval. Color/material coordination with the deck and the house will be a significant factor in approving this type of screening.

Note: It is a violation to use the space under the deck (with or without privacy fencing around it) as a junk storage area! The space under the deck must be clean, well organized and not visible from the street or any neighboring properties, if used for storage of outdoor items, such as garden hoses.

A recorded survey map, deck plans (placement, materials, size, etc.), and neighbors' signatures (in view of the change) **must** be submitted with the architectural request.

Drainage

Requirements:

Drainage of the Unit must conform to all County/Town/City requirements. All drainage and grading must be indicated on the plans approved by the AC. There shall be no interference with the established drainage pattern over any property except as approved in writing by the AC, subject to such approval of the owner of the Private Amenity as is required pursuant to the Declaration. The established drainage pattern is defined as the drainage pattern as engineered and constructed by the Declarant or approved builder prior to (or in some cases, immediately following) conveyance of title from builder to the individual homeowner. Owners may make minor drainage Architectural to their Units provided that they **do not alter the established drainage pattern and water is not redirected towards neighboring properties.**

Landscape plans shall conform to the established drainage pattern, shall cause water to drain away from the foundation of the house, and shall prevent water from flowing under or ponding near or against the house foundation. Water should flow fully over walkways, sidewalks or driveways into the street. The AC may require a report from a drainage engineer as part of landscaping or improvement plan approval. Sump pump drainage should be vented a reasonable distance from inside the property line to allow for absorption.

All projects that cause any changes in the drainage pattern, water flow, and/or cause neighboring properties to receive water run-off require prior submission of an architectural request for approval. All neighbors' signatures (water-receiving properties), a survey map of the property, and elevation plans are a requirement for all drainage applications.

Exterior Freestanding Detached Structure

Definition:

Examples of exterior freestanding detached structures include storage sheds, gazebos, doghouses, greenhouses, tents, etc.

Appearance:

Generally, the AC will review materials, colors, location, scale and massing of the proposed structure to determine compatibility of the proposed structure to surrounding structures and sites. The intent is to preserve the architectural character of the neighborhood with specific emphasis given to the maintenance of a cohesive neighborhood architectural style. This “style” incorporates the scale, materials, details, massing, color and design intent of the original structures. Every application will be reviewed on an individual, case-by-case basis.

Chain link outdoor dog runs or animal cages are prohibited.

Location:

All exterior freestanding detached structures will be confined to the rear yard. The location for these structures will typically be governed by the maximum building area that is defined by the local municipality in respect to the minimum setback requirements from the property line. However, the AC reserves the right to reject applications, which may meet the local municipality setback requirements but fail to meet the objectives of the AC. The AC will review each application on an individual basis and approvals will be granted on this basis. A prior approval of an application does not guarantee subsequent approvals on the same or other lot.

The placement of doghouses must also take into consideration safety concerns, noise minimization, the possibility of offensive odors, and not be visually offensive to neighbors and public areas. “Visually offensive” shall be judged by the AC applying a standard of reasonably objective, rather than just the subjective views of neighbors.

Materials:

Materials for use on any detached structure will meet or exceed the materials used in construction of the original structure. Compliance with the “current” edition of the local municipality building codes will be considered meeting the “minimum” standards of construction. The AC reserves the right to require homeowners to **exceed** these standards if it is deemed necessary to maintain the architectural intent of the original structure. In general, the AC’s

objective is to maintain the quality of materials and workmanship that are present in the original structure.

Accessory structures, such as storage sheds must be of similar architecture to the main home. If the home has hardi-plank, the structure must have hardi-plank. No vinyl siding is allowed for detached structures. The accessory structure must be the same color as the main home, and have the same type of shingles and color. The shed must be in proportion to the house, but in no case shall exceed 120 feet in total floor space. Only one story structures are allowed.

Applications must include details of the foundation (e.g. concrete pad) or anchors for such structures.

Requirements:

All exterior freestanding structures shall maintain proper drainage on the site. If a structure is planned, homeowners are required to provide a plan that details drainage patterns and runoff as a result of the new structure.

If electrical service will be provided to the detached structure, the application must include details of how that service will be run and must comply with all applicable electrical codes and regulations. Overhead electrical service is not permitted in your neighborhood.

The shed must be permanently affixed to the ground via a concrete slab floor or footings in the corners.

*****Metal or vinyl storage structures will not be approved.*****

All external detached freestanding structures must comply with all applicable municipality regulations, ordinances, permit requirements and inspection requirements. The local municipality standards are the minimum requirement and your neighborhood standards may be more stringent. A survey map of the property, exterior structure plans (including materials, dimensions, etc.) and its placement, as well as neighbors' signatures in view of the structure are required with each application. **According to local town requirements, a building permit and inspection of the structure (and possible electrical work) by the municipality may also be required. It is the responsibility of the homeowner to comply with local state and federal requirements even if they have previously received approval by the Homeowner's Association Architectural Committee.**

Fences

Appearance:

Whenever possible, alternatives to hard fencing are recommended (i.e., landscaping and plants or "invisible" electronic fencing). It is also recommended that fencing be softened through the use of landscaping on the exterior side of the fence, where possible. It is strongly encouraged to match neighboring existing fence style and color. If another style of the fence is being applied for as that of a neighboring fence, the fence must be 3' inside the property line to allow for maintenance.

Location:

Fences shall follow the natural topography of the land.

Existing trees shall not be removed to place the fence without prior approval from the Architectural Control Committee. No fence will be allowed to be placed in an area marked as an easement. For fences including a swale: there must be adequate clearance at the bottom for drainage to avoid impacting adjacent neighbors and swales design. No fence shall be allowed to extend into the areas marked buffer on the plot plan. The Homeowner's Association will be responsible for maintenance of this area.

The fence shall be installed within one inch of the Homeowners property line and must allow neighbors to tie in to the existing fence in the future if needed. However, fencing on corner lots will need to be placed at least 10 ft. in from the property line.

Lots adjacent to any open space and/or common areas may have additional standards, i.e., Tying in. etc. Please contact the management company before submitting an application to receive more information.

The fence shall extend no further forward than 20ft back from the front corners of the house.. The Architectural Control Committee will determine the final placement of the fence based on aesthetics and street appearance. If an applicant wishes to start their fence further forward than 20ft back from the front corners of the house, please be very specific on the plot plan as to how far it will come up.

Materials:

In order to maintain a uniform style of fencing throughout the neighborhood, homeowners may choose either a wood stockade type of 72" or a standard black aluminum metal fence or Ascot Puppy Picket. If aluminum, height is restricted to 54".

Requirements:

For yard fences, there shall be a minimum of one walk-through gate at least 4'-0" for access. Gates must be self-closing. All fencing must be maintained in an aesthetic and safe condition.

A recorded survey map of the property, a drawing of the proposed fence (dimensions, placement, materials, etc.) and neighbors' signatures (adjacent to or in view of the proposed fence) are a requirement with the architectural request.

Flags

Flagpoles permanently installed in the ground are prohibited.

Appearance: Decorative or seasonal flags (such as American, State, seasonal, welcome, sports or college flags) are allowed and no application is required.

- Decorative Flags – Such flags are allowed, they shall not be offensive, in any way, to individuals or specific groups.
- Seasonal/Holiday Flags – Decoration may be put in place three weeks before the season/holiday and must be removed two weeks after the holiday.

Location: A maximum of two flags, attached to the house, are allowed. Those flags must be hung from a pole, mounted on the main residential dwelling and shall not exceed the eaves of the main dwelling. In addition, a maximum of two smaller flags are allowed in other locations in the yard (such as the mailbox), as long as they are secured to the ground or any other structure.

Sizes: Maximum allowed size for flags mounted on the house is 3x5 ft. All other flags must not be more than 2x3 ft. Flags that do not meet the proposed specifications must be approved by the AC. Homeowners are expected to display flags in good harmony with our community. The Homeowner's Association reserves the right to request removal and/or submission of an application for a flag that does not meet the above listed criteria.

Garbage Can Containment, Privacy Screens and Other Enclosures

Appearance:

Garbage cans and recycling bins must be stored out of public sight with the exception of trash collection. It is recommended that garbage cans and recycling bins be stored in garages. The AC will consider requests for garbage can area screens, dependent on placement and view from public. Whenever possible, alternatives to privacy screens are recommended (i.e., landscaping and plants). It is also recommended that all screens be softened through the use of landscaping on the exterior side, where possible. This is mandatory especially on corner lots, where part of the screen will be facing the road.

Location:

Privacy screens and other enclosures shall follow the natural topography of the land and match their surroundings.

Existing trees shall not be removed to place the screen/enclosure without prior approval from the AC.

Screens/enclosures shall not be placed in the front yard. The AC will determine the final placement of the enclosure based on aesthetics and screening requirements.

Screens enclosing garbage can areas should be located on the garage side of the house. However, they may not be located where the use, including, but not limited to the entry, of said area encroaches on neighboring property. Those screens should be placed as far away from the front of the house as possible.

Other enclosures, such as patio privacy screens, A/C containment screens, etc, must be no larger than the area they are supposed to contain (e.g. the size of the existing patio or existing A/C units). Patio fences that enclose part of the grass in the back yard fall into the “yard fence” category (see appropriate guideline).

Materials:

In order to maintain a uniform style throughout the neighborhood, screens/enclosures may not exceed 54” maximum height. Patio or other privacy screens of up to 5 feet maximum may be permitted, depending on their use.

Small screens and enclosures that are installed adjacent to the house must match house or painted the main color of the house or the trim. Screens and other enclosures that remain natural in color require a natural stain and/or clear water repellent for maintenance. All screens/enclosures must be maintained

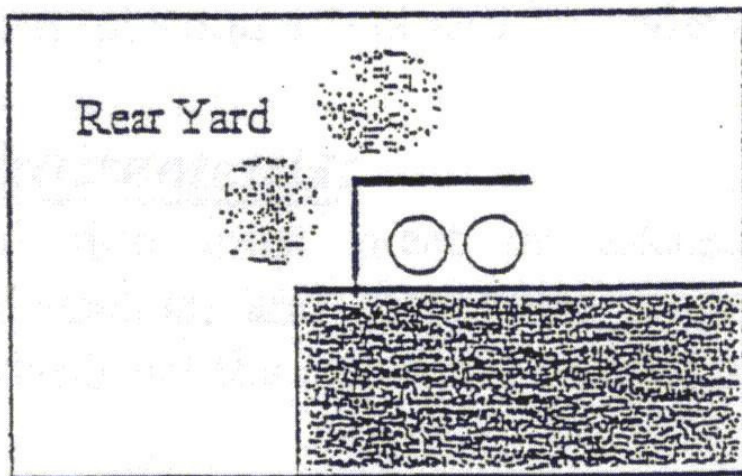
in good condition (pressure-washing, painting, etc.) as needed. If a screen is installed on a wooden deck, the screen must match the deck materials (see relevant section) and its surroundings (color, appearance, etc.). In addition, as a general guide, a wood lattice (as long as it matches the deck or the house exterior) is an acceptable material for screening the space under a deck.

Garbage Can Area Screens may be no taller than 54", no wider than three feet, and no longer than eight feet, and must be fully enclosed at least on three sides (two sides of screen plus the original garage wall). Gate(s) no wider than three feet may be installed on either the side or rear of the enclosure; if installed, the gate(s) must be kept closed at all times. Garbage Can Area Screens may be constructed with the same materials as stated above. Wooden containment fences must be either treated with a natural stain or painted to blend with the house exterior. **See figure below for an example design.**

Requirements:

All screening and enclosures must be maintained in an aesthetic, safe and good condition. Garbage can areas must be kept neat; no loose debris shall be allowed in the Garbage Can Areas.

A survey map of the property, a drawing of the proposed screen or other enclosure (dimensions, placement, materials, etc.) and neighbors' signatures (adjacent to or in view of the proposed enclosure) are a requirement with the architectural request.



Landscaping

Definitions:

Natural Area/ Landscaping Bed

Any area with ground cover other than grass.

Bushes and Shrubs

Any bush or shrub that will exceed 3'-0" in height or width at maturity.

Flower Bed

Any grouping of flowers not contained in a natural area or landscape bed.

Vegetable Garden

Any area used to grow vegetables or herbs.

Water Garden

Natural or prefabricated body of water for decorative purposes.

Trees/Tree Removal

Any tree added to or removed from the property.

Appearance:

Natural areas and landscaping beds shall be planted in proportion to the home and property. All landscaped areas shall be maintained to prevent overgrowth of individual plants or weeds. Landscaped areas shall be mulched to improve appearance and aid in maintenance. Edging around the bed or natural area may be used but is not a requirement, and if used, should be consistent with the existing style and aesthetics of the community and requires an architectural application showing materials used and placement of such edging.

Vegetable, herb and water gardens shall be maintained regularly to prevent excessive weed growth and shall be limited to the back yards only. All plants located in a garden shall not exceed 4'-6" in height. Screening of these areas should be considered through the use of fencing or shrubs to eliminate views from the street or common areas. These areas should not be visually offensive to neighbors.

Trees shall be maintained and pruned to remove debris and damaged limbs due to wind, decay, disease, or ice damage.

No plantings or tree removal shall be permitted in the right of way. Street trees are the responsibility of the homeowner to maintain. Street trees at no time can be removed.

Location:

Natural areas and landscaping beds may be utilized in the front, rear and side yards. Landscaping beds and natural areas located in the front yards shall not encompass more than 50% of the total area available

for the front yard. (Areas are measured from the curb to the nearest point of the house, and from one side yard property line to the other side yard property line. Corner lots will be measured from the curb to far side yard property line. Areas will **exclude** the existing walkway and driveway.) The remaining 50% of the front yard area shall be grass.

Mature plant size shall be considered in determining locations of bushes and shrubs near property lines and the plantings set back sufficiently to account for mature growth. When bushes and shrubs are located immediately adjacent to property lines, mulch is required at the property line to provide easy maintenance for adjacent property owners.

Vegetable, herb and water gardens shall normally be confined to the rear yard out of view from public streets and common areas. The maximum height for plants in these gardens shall not exceed 4'-6". Water gardens shall be planned and located to limit potentials for accidents (i.e., electrocution, drowning). **Water gardens in front yards are not allowed.**

New trees shall be located away from foundations, drives or walks to limit potential damage caused by root growth.

Landscaping and plantings in utility easements are not permitted.

Replacement of grass around existing driveways with rocks, gravel, etc (e.g. in order to accommodate additional parking) is not allowed.

Bird baths, fountains, ornamental yard art, statues and/or fixtures are **not** allowed in front yards. If you have them in the back yard, they must not be visible from the street. If you are a corner lot, please keep this in mind if you do not have a fence. (Section 3.01).

Materials:

In the application, provide "common" variety names of plants that are to be used.

Approval is not required for mulching with hardwood mulch if it is black or brown in color. Decorative gravel mulch or other types of mulching require approval.

Edging requires an architectural request. The following materials are the only materials that will be considered for edging: brick, stone, pre-cast concrete edging, or other commonly used materials. Railroad ties are prohibited. Selections should consider scale, color and proportion to harmonize with the existing structures and surrounding site. Normally, edgings are only one level high and multiple levels of landscape timbers or other materials (such as retaining wall blocks or bricks) would normally be considered as a retaining wall under Section 3.20 and an application is required.

Bermuda is the recommended grass planting.

Requirements:

All front yards shall have a minimum of 50% grassed area (see appearance above).

All landscaping will maintain proper drainage on the site. If landscaping is planned, homeowners are required to provide a plan that details drainage patterns and runoff. Plans, which cause excessive runoff to neighboring properties or common areas, will not be approved without Architectural that solve the drainage situation (**see section 3.04**)

Irrigation systems do not require approval, as long as all removed grass is replaced, landscaping is returned to its original state, and proper drainage is achieved after installation of the underground watering system. If there is any change in the drainage pattern, water flow, and/or cause neighboring properties to receive water run-off as a result of the irrigation system, the homeowner's association reserves the right to request removal of the system or grading of the property to correct the problem. If grading is necessary, an architectural request must be previously submitted to the AC for approval.

Where there is already irrigation installed by the builder/developer, no modifications will be allowed. Timers are set and cannot be modified by any homeowner at any time.

All tree removal, except emergency removal where the tree(s) present a clear and present danger as a result of wind or ice damage or disease or decay (trees posing a danger to life, person, or property), must be approved by the ARC in advance. Photos of the trees to be removed and the reasons for removal must accompany the application prior to tree removal. All trees are expected to be replaced with a similar variety and size, in the same location and no application is required in that case. Tree stumps, dead trees, and limbs are expected to be removed from the property!

ARC approval is NOT required for the following items:

- Flowers planted in existing beds.
- Shrubs located within an existing bed.
- Shrubs used as a cover for the foundation, fence, deck, play sets, HVAC equipment, etc.
- Ground cover in existing natural areas.
- Ground cover in existing landscaping beds.
- Mulching with hardwood or bark mulch, black or brown in color.
- Replacement of existing shrubs, plants, or trees that die or are diseased with a similar variety and size shrub, plants or tree in the same location.
- Flower/plant containers provided they are standard size as can be purchased from any nursery/garden center, with the following conditions:
 - Flower boxes may not be longer than the widest window on the side of the house the flower box is installed.
 - Flower or plant pots must be consistent with size of the property.

Finish must be consistent with the exterior house colors or neutral earth tone colors. Custom, oversized or colored containers must have prior approval; each application will be reviewed on an individual basis.

-Security signs, as provided by security service companies, less than 12x12 inches, which are located behind the sidewalk/walkway in the existing flower bed/natural area. All other sized signs or locations must have prior approval, and each application will be reviewed on an individual basis.

I. Compost

One compost pile measuring not more than three feet in diameter and three feet in height may be permitted on the rear yard if such is adequately screened by planting and/or fencing so as to conceal them from view of neighboring residents and the street. Owners shall be responsible for ensuring that compost piles are maintained in a manner which does not emit odors or attract rodents or insects; if such compost pile does emit odors or attracts rodents or insects, the Association may levy appropriate sanctions.

Homeowners are expected to keep their landscaping in good harmony with our community. The Homeowners' Association reserves the right to request submission of an architectural request or even removal of an installation that does not meet the above listed criteria. A survey map, detailed plans outlining the landscaping changes and neighbor's signatures (in view of the changes) are required with all applications.

Notes:

Any furniture featured in the front yard should be for outdoor use, in acceptable condition for their intended function and with an acceptable color approved by the AC. Size and frequency of lawn furniture should be limited and approved by the AC. Furniture in the front yard should not maintain a gathering spot, which could generate excessive and regular noise but should be free of debris from trees, and clutter.

Lighting (Exterior)

Appearance:

Exterior lighting must be compatible with the architectural character of the neighborhood. Generally, low voltage accent lighting confined to planting beds or along walkways and on decks is acceptable. Other lighting devices, i.e., floodlights, high voltage spotlights, lampposts will be reviewed on an individual basis.

“Temporary” holiday lighting generally does not require approval from the AC; however, such “temporary” lighting and any associated wiring must be removed within a reasonable period after such holiday. As a general rule, holiday lights should not be displayed earlier than Thanksgiving and must be removed no later than January 15.

Location:

Generally, low voltage accent lighting confined to planting beds or along walkways is acceptable. Floodlights and spotlights will generally be limited to rear and side yards. Specific approval shall be required for spotlights, floodlights or any other type of accent lighting on driveways and some additional landscaping may be required. All exterior high voltage lighting must have locations approved prior to installation. This guideline is not meant to be construed as discouraging security lighting systems, but only to control the source and spread of the light beam that may be intrusive to adjacent property owners. The application should include a diagram showing the proposed location of new lights and the lighted area.

No more than one light lamppost will be allowed in front yards. More lights may be considered in the back yards.

Materials:

Include a materials list and if possible, a picture or drawing of the proposed fixtures (including its exact location with the application). A survey map and neighbors’ signatures in view of the light(s) are also required.

Requirements:

Beam spread from all light sources should be confined to the homeowner’s lot. On corner lots and locations where the lighting may affect drivers, care must be taken to insure that spotlights and floodlights do not cause dangerous safety hazards by blinding oncoming traffic.

Any lamppost in the front yard must not exceed 8 feet with one lamp light (max. 60W) with the approval of the Board. If the lamppost is installed in the rear of the property, the total for all lights

must not exceed 100W. (For example, for a 4-light post, the maximum would be 4x25W.) The maximum height is defined as the top of the post or the light(s) (whichever may be greater).

All electrical installations must be in accordance with all applicable electrical codes and regulations.

Approval is not necessary for the following:

- Approval is not necessary for replacement of current light fixtures of a similar type and style.
- Approval is also not necessary for properly installed low voltage accent lighting along walkways and on the inside of decks, if the lights are at least five feet apart. If closer placement is desired, then an application must be submitted. Any low voltage spotlights or lights on the outside of decks require an application, if the light may shine onto adjacent property.

Maintenance

Appearance:

It is the responsibility of each homeowner to maintain his/her property in such a way that it adds to the overall beauty and harmony of the subdivision. Each homeowner should take this responsibility seriously, as failure to do so can negatively impact the value of your own property, surrounding properties, and the subdivision as a whole.

There are many areas in and around the home, which should be inspected, regularly to insure the property is in good repair. These include, but are not limited to:

- Lawn care
- Trimming of trees and shrubbery
- Landscaping
- Decks
- Fences
- Driveways and sidewalks
- Playground equipment
- Paint
- Roofing
- Debris and trash removal

Deterioration:

If at any time the Board of Directors is made aware of a property that has deteriorated to the point that it is affecting the aesthetics of the community, the AC, a representative of the Management Company, or a combination of the two will be requested to make a site inspection. The committee will then make a recommendation for action to the Board of Directors. Appropriate action will be taken in accordance with the enforcement policies of your Homeowners Association.

Based on the severity of the deterioration, the homeowner will be given a specified period of time in which to make the necessary repairs. If, after that time, the repairs have not been corrected to the satisfaction of the Board, the Board has the obligation of enforcement as described in the Declaration of Covenants, Conditions and Restrictions for your Homeowner's Association, the Enforcement Procedures policy of the Association, and other applicable regulations and policies. No architectural requests will be processed by the AC for that homeowner, unless the violation items have been corrected.

Painting (Exterior)

Appearance:

All exterior paint colors, shall be consistent with the initial paint application to maintain a variety as well as continuity with the surrounding homes. Siding paint shall be only a flat latex type of paint (no semi-gloss or gloss type paints are permitted). Trim paint may be semi-gloss.

Paint colors on additions and exterior detached structures shall be consistent with the dwelling and surrounding area.

Materials:

Siding paint shall be Exterior Flat House Paint or equivalent. Trim and shutter paint shall be Exterior Acrylic or equivalent.

Requirements:

Any changes to the original exterior paint colors (home exterior, trim, shutters, garage doors, etc.) must submit an Architectural Request.

Extremely bright colors (e.g. pumpkin orange, red, fluorescent colors, etc.) will not be approved. Color coordination is also important, not only on the same house (exterior-trim- doors and shutters) but also for the entire neighborhood.

Although a survey map is not required for painting applications, it is imperative that neighbors' signatures are obtained from all neighboring homes before an application is submitted for approval.

Approval is **not** required if **ALL** exterior paint colors remain the same as the original ones.

Parking

1. There shall be no parking upon any Lot or within the Common Area, or within the right of way of any street or adjacent to the Property as written in the Declaration of Covenants. Any inoperable automobile, commercial vehicle, truck, tractor, mobile home or trailer (with or without wheels), camper, camper trailer, boat or other water craft, boat trailer, or any transportation device of any kind, such vehicles may only be stored and parked only within a garage, the door to which is generally kept closed. No owner or tenant shall repair or restore any vehicle of any kind upon any Lot or Common area, except for emergent repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No garage may be altered in such a manner that the number of automobiles that could have been reasonably parked in the garage as originally constructed.
2. Personal vehicles should be parked in the garage and driveway.
3. Current registration and tags must be visible. Automobiles may be towed at the owner's expense.

Parking Pads & Driveways

Appearance:

The layout or design should preserve and compliment the original driveway and walkway. The surface shall be at the same level, same color and finish as the existing concrete drive and of a minimum thickness of 4 inches. Depending upon property configuration, screening with landscaping may be required to visually block the area from adjoining property owners.

NOTE: *Not all properties can accommodate a parking pad.*

Location:

Parking pads (driveway extensions) may be constructed adjacent to and contiguous with the original concrete driveway.. The parking pad shall terminate in line with the existing parking pad.

Dimensional limitations: Maximum width of 9'-0". Each property will be reviewed individually.
Set Back Requirements: Minimum set back from side property line is 18" except that the set back may be less with specific approval of the AC on cul-de-sac lots because of lot configuration and size.
Drainage/Slope: Slope of the parking pad and that of the adjacent yard shall preserve the original run-off flow pattern and shall not cause excessive water to be directed to a neighboring property or to the house foundation.

Materials:

Concrete shall be the only allowable material. The preparation of the soil base shall be consistent with sound construction practices to minimize the risks of settling, excessive cracking and improper drainage. Concrete paint is not allowed!

A survey map and a drawing of the proposed parking pad (including dimensions, placement, etc.) must be submitted with all applications.

Pets

No animals, livestock, or poultry of any kind shall be raised, bred or kept on the Property. No more than three (3) dogs, three (3) cats, and a reasonable number of other normal household pets may be kept in residences subject to rules and regulations adopted by the Association through its Board of Directors. Provided that such pets are not kept, bred or maintained for any commercial purpose, puppies and kittens in excess of the numbers set forth above may be kept only until old enough to be safely separated from their mother. The Board of Directors shall have the absolute power to prohibit any particular pet from being kept on the property, including inside a residence, if the Board of Directors in its sole and absolute discretion determines that the pet is dangerous, a nuisance, or otherwise has a negative impact on the Community

Playground and Recreational Equipment

Definitions:

Playground or Play Equipment: Swing sets, sliding boards, sandboxes, and similar items are classified as playground or play equipment for the purposes of this guideline. This guideline does not cover moveable and temporary items such as bikes, wagons and similar items.

Recreational Equipment: Basketball goals, trampolines, horseshoe pits, permanent volleyball courts and similar items are classified as recreational equipment for the purposes of this guideline. This guideline does not cover a temporary volleyball net, badminton net or similar item.

Appearance:

Playground and recreational equipment should blend with the natural surroundings to the extent possible and shall be an appropriate size for the backyard.

Landscaping or fencing should be planned to screen playground and recreational equipment from being visually offensive and to maintain a safe environment for the children. “Visually offensive” shall be judged by the AC applying a standard of reasonably objective rather than just the subjective views of neighbors.

Location:

Dependent on the configuration of each lot, playground equipment should be placed in the rear yard. The location of play areas and of recreational equipment must take into account the impact on adjacent properties, noise concerns, safety concerns, and the minimization of any offensive visual impact on neighbors or public areas.

Recreational equipment should also be placed in the rear yard area where applicable (i.e., trampolines). Potentially dangerous items such as trampolines should be located within fenced areas to prevent access by unsupervised and unattended child users and be adequately landscaped to screen from view. Otherwise, they must be properly shielded from view by landscaping surrounding areas with mature evergreen shrubs, trees, etc. Portable basketball goals, must be placed in the rear section of the driveway if a hard surface (driveway) is desired for the playing surface. **Portable basketball goals must be in standing form when placed outside (e.g. driveway) and not placed on the side or near the street**, where the street is intended as the playing surface. Portable basketball goals located by driveways must be placed to avoid balls striking vehicles, landscaping or other items on the adjacent property.

Materials:

Playground equipment constructed of treated natural wood is required. Playground equipment should be constructed of proper materials to ensure safe usage, be properly anchored and be aesthetically pleasing. It is recommended that recreational equipment be “portable”; however, fixed in place equipment will be considered on an individual basis. Recreational equipment should be constructed of proper materials to ensure safe usage, be properly anchored and be aesthetically pleasing.

Metal Swing sets are prohibited!

Requirements:

Detailed drawings shall be presented to the AC for approval *prior* to the installation of any equipment.

All equipment in a fixed location for an extended period of time must be submitted. All playground and recreational equipment must be maintained in a safe condition and kept visually pleasing to the community and surrounding environment.

The Homeowners’ Association reserves the right to request removal of an installation that does not meet the above listed criteria. A survey map, drawing of the recreational equipment (placement, dimensions, specifications, colors, materials, etc.) and neighbors’ signatures (in view of equipment and/or affected by possible noise) are a requirement with all architectural requests.

Playhouses

Appearance:

Playhouse color must be aesthetically pleasing with the color for the main residential dwelling.

Location:

Playhouses shall be in the rear of the main dwelling.

Materials:

Playhouses must be constructed of wood.

Requirements:

A playhouse shall be considered an accessory building if it measures more than 24 square feet, is more than 4 feet in height from peak to ground, or is constructed on a concrete slab or footing.

The Homeowners' Association reserves the right to request removal of an installation that does not meet the above listed criteria. A survey map, detailed plans for the construction and/or installation of the playhouse (placement, dimensions, materials, colors, etc.) and neighbors' signatures (in view of the house and/or affected by possible noise) are a requirement with all architectural requests.

Pools, Hot Tubs, Saunas

Permanent in ground pools are allowed but require approval of the design and fencing of the pool. These approvals are in addition to any required approvals of the municipality. Temporary kiddie pools and inflatable pools are permitted for seasonal use only. However, permanent above ground pools are **not** permitted. Hot tubs and saunas are only permitted in rear yards with screening from the street. They must be kept in working order and neat in appearance.

Location:

Kiddie pools and inflatable pools must be located in the rear of the main dwelling inside an enclosed fence.

Requirements:

Kiddie pools and inflatable pools may remain outdoors between May and September in the rear of the property but must be stored indoors during all other months. Grass must be aerated and over seeded in the fall after the pool has been removed to avoid unsightly dead grass.

Rain Barrels

General:

Rain barrels can be used by homes to collect rain water for later use in landscaping and gardens. Homeowners can help the municipality save water and reduce run-off by using a correction device.

Colors:

Suggested colors are black, dark green, and brown. Dark colors prevent sunlight from entering the barrel. Without sunlight, algae and other organisms cannot flourish in the barrel.

Number of Barrels:

Only 1 rain barrel allowed per home.

Size of Barrels:

A maximum size of eighty (80) gallons per barrel is permitted.

Materials:

Barrels must be made of either plastic or wood (metal containers are not allowed).

Location:

Barrels must be placed or installed at the rear of the dwelling or at the rear corners of the dwelling as long as the barrels are not easily visible from the street in front of the house.

Pest Control:

Mosquito control needs to be exercised by design or by screening to eliminate any mosquito breeding.

Submittal:

If these guidelines are followed, then approval is not required. However, barrels are permitted in front of the dwelling ONLY if an AC Request is submitted and approved with pictures, description and landscaping/screening plan.

Retaining Walls

Appearance:

Generally, the AC will consider for approval “natural” materials for use in the construction of retaining walls. All retaining walls will be considered on an individual basis. The AC will review materials, colors, location, scale and massing of the proposed wall to determine compatibility with the architectural intent of the existing structure and relationship to the surrounding site.

Location:

Locations for retaining walls must be clearly specified on the plot plan (official survey map) submitted with the application. Applications for retaining walls will be reviewed on an individual, case-by-case basis. Consideration will be given to changes in the natural topography and existing drainage patterns.

Materials:

“Natural” building materials such as stone, slate, brick and pressure treated timbers will be considered as acceptable materials. Railroad ties are prohibited. Materials and colors chosen should complement the existing structure on the site.

Requirements:

All retaining walls will maintain a proper drainage on the site. If a wall is planned, homeowners are required to provide a plan that details drainage patterns and runoff as a result of the new structure. Retaining walls that redirect water towards or prevent water drainage from neighboring properties will not be allowed. Neighbors’ signatures are required with all applications.

All retaining walls will be leveled and properly secured to prevent collapse and must meet all applicable municipality requirements. Landscape fabric, backfilling with sand and/or a drainage pipe to facilitate the flow of water should also be included, as necessary.

Proper landscaping is also a requirement in order to soften the retaining wall. Detailed plans for construction of the retaining wall and landscaping should also be submitted with all applications.

Roofing/Roof Accessories & Equipment**Requirements:**

Roof pitches and overhangs may vary as dictated by architectural design. The approval of the AC is required for a roof-material color change.

Replacement of roofing materials with the same type as previous does not need approval.

Satellite Dishes and Antennas

I. Preamble

WHEREAS, the *Homeowner's Association* ("the Association") is responsible for governance and maintenance of the *neighborhood subdivision* ("the Community"); and

WHEREAS, the Association exists pursuant to *applicable state law and governing documents*; and

WHEREAS, the Association is authorized to adopt and enforce reasonable rules and regulations in the best interests of the Community, pursuant to *sections of state law and the governing documents permitting the Association to adopt and enforce rules*; and

WHEREAS, the Federal Communications Commission ("the FCC") adopted a rule effective October 14, 1996, preempting certain restrictions in the governing documents concerning the installation, maintenance and the use of direct broadcast satellite, television broadcast, and multipoint distribution service antennas ("antennas"); and

WHEREAS, the Association desires and intends to adopt reasonable restrictions governing installation, maintenance and the use of antennas in the best interests of the Community and consistent with the FCC rule.

NOW THEREFORE, the Association adopts the following restrictions and regulations for the Community, hereinafter referred to as the "Rules," which shall be binding upon all owners and their grantees, lessees, tenants, occupants, successors, heirs, and assigns who currently or in the future may possess an interest in the Community, and which shall supersede any previously adopted rules on the same subject matter.

II. Definitions

- A. **Antenna:** Any device used for the receipt of video programming services, including direct broadcast satellite (DBS), television broadcast, and multipoint distribution service (MDS). A reception antenna that has limited transmission capability designed for the viewer to select or use video programming is a reception antenna provided that it meets FCC standards for radio frequency emission. A mast, cabling, supports, guy wires, conduits, wiring, fasteners, or other accessories necessary for the proper installation, maintenance, and use of a reception antenna shall be considered part of the antenna.
- B. **Mast:** Structure to which an antenna is attached that raises the antenna height.
- C. **Transmission-only antenna:** Any antenna used solely to transmit radio, television, cellular, or other signals.

- D. **Owner:** Any homeowner in the Association. For the purpose of this rule only, “owner” includes a tenant who has the written permission of the homeowner/landlord to install antennas.
- E. **Telecommunications signal:** Signals received by DBS, television broadcast, and MDS antennas.

III. Installation Rules

A. Antenna Size and Type

1. DBS antennas that are one meter (39.37”) or less in diameter may be installed. Antennas larger than one meter are prohibited.
2. MDS antennas one meter (39.37”) or less in diameter may be installed. MDS antennas larger than one meter are prohibited.
3. Antennas designed to receive television broadcast signals, regardless of size, may be installed, but only after written authorization is obtained from the AC, and only if installing in the attic is unfeasible. (Refer to Section IIIB below.)
4. Installation of transmission-only antennas is prohibited in the Community.
5. **All antennas not covered by the FCC rule are prohibited.**

B Location

1. Antennas shall be installed solely on individually owned property as designated on the *recorded deed or other document defining the portions of common or individually owned property*.
2. **If acceptable quality signals may be received by placing antennas inside a dwelling, without unreasonable delay or unreasonable cost increase, then outdoor installation may be prohibited.**
3. Antennas shall not encroach upon common areas or any other owner’s property.
4. **Antennas shall be located in a place shielded from view from the street or from other lots to the maximum extent possible**; provided, however, that nothing in this rule would require installation in a location from which an acceptable quality signal may not be received. This section does not permit installation on common property, even if an acceptable quality signal may not be received from an individually owned lot.

C. Installation

1. Antennas (or satellite dishes) shall be no larger nor installed higher than is absolutely necessary for reception of an acceptable-quality signal.
2. All installations shall be completed so that they do not damage the common areas of the Association or the lot of any other resident, or void any warranties of the Association or other owners, or in any way impair the integrity of the buildings on common areas or lots.
3. Owners are responsible for all costs associated with the antenna, including but not limited to costs to:
 - a. Place (or replace), repair, maintain, and move or remove antennas;
 - b. Repair damages to the common property, other lots, and any other property damaged by antenna installation, maintenance, or use;
 - c. Pay medical expenses incurred by persons injured by antenna maintenance or use;
4. Reimburse residents or the Association for damages caused by antenna installation, maintenance or use.
5. Antennas must be secured so that they do not jeopardize the soundness or safety of any other owner’s structure or the safeties of any person at or near antennas,

including damage from wind velocity based upon a unique location. Antennas (or satellite dishes) mounted on fences are not allowed.

D. Maintenance

1. Owners shall not permit their antennas to fall into disrepair or to become safety hazards.
2. Owners shall be responsible for antenna maintenance and repair.
3. Owners shall be responsible for repainting or replacement in the exterior surface of antenna deteriorates.

E. Safety

1. Antennas shall be installed and secured in a manner that complies with all applicable town and state laws and regulations, and manufacturer's instructions. The owner, prior to installation, shall provide the Association with a copy of any applicable governmental permit.
2. Unless the above-cited laws and regulations require a greater separation, antennas shall not be placed within five (5) feet of underground power lines (as indicated by No-Cuts) and in no event shall antennas be placed where they may come into contact with electrical power lines. The purpose of this requirement is to prevent injury or damage resulting from contact with power lines.
3. All installation must comply with all applicable codes.
4. In order to prevent electrical and fire damage, antennas shall be permanently and effectively grounded.
5. Antennas are required to withstand the pressure of snow and ice.

IV. Antenna/Satellite Dish Camouflaging

- A. Antennas or masts may not extend beyond a railing or fence unless no acceptable quality signal may be received from this location.
- B. Antennas situated on the ground and visible from the street or from other lots must be camouflaged by existing landscaping or fencing, if an acceptable quality signal may be received from such placement. If no such existing landscaping or screening exists, the Association may require antennas to be screened by new landscaping or screening of reasonable cost.
- C. Antennas, masts, and any visible wiring must be painted to match the color of the structure to which it is installed. *(Some manufacturers assert that painting may prevent the receipt of an acceptable quality signal. Association residents are advised to make sure that paint will not degrade the signal.)*
- D. Antennas may not obstruct a driver's view of an intersection or street.
- E. *Camouflaging antennas may not be unreasonably expensive. For example, it would not be unreasonable to require a \$40 hedge. A \$150 fence, on the other hand, would most likely be found to be unreasonable. The Association may require more expensive screening, if the Association chooses to fund part of the cost.*

V. Number of Antennas

An owner may install no more than one antenna of each provider.

VI. Mast Installation

- A.** Mast height may be no higher than absolutely necessary to receive acceptable quality signals.
- B.** Masts that extend 12 feet or less beyond the roofline may be installed subject to the regular notification process. Masts that extend more than 12 feet above the roofline must be approved before installation due to safety concerns posed by wind loads and the risk of falling antennas and masts. Any application for a mast longer than 12 feet must include a detailed description of the structure and anchorage of the antenna and the mast, as well as an explanation of the necessity for a mast higher than 12 feet. If this installation will pose a safety hazard to association residents and personnel, then the association may prohibit such installation. The notice of rejection shall specify these safety risks. *(This 12-foot baseline may change, if the BOCA Code is amended.)*
- C.** A licensed and insured contractor must install masts.
- D.** Masts must be painted the appropriate color to match their surroundings.
- E.** Masts installed on a roof shall not be installed nearer to the lot line than the total height of the mast and antenna structure above the roof. The purpose of this regulation is to protect persons and property that would be damaged if the mast were to fall during a storm or from other causes.
- F.** Masts shall not be installed nearer to electric power lines than the total height of the mast and antenna structure above the roof. The purpose of this regulation is to avoid damage to electric power lines if the mast should fall in a storm.
- G.** Masts shall not encroach upon another owner's lot or common property.
- H.** Masts must be designed to withstand the weight of ice and snow.

VII. Notification Process

- 1.** Any owner desiring to install an antenna must complete an Architectural Request Form (Section 2.02) and submit it to the AC via the Management Company. If the installation is routine (conforms to all of the above rules and restrictions), the installation may begin immediately.
- B.** If the installation is other than routine for any reason, and after an Application Request Form has been submitted, owners and the AC must establish a mutually convenient time to meet to discuss installation methods. The Management Company must be contacted to schedule this meeting.

VIII. Installation by Tenants

Tenants may install antennas in accordance with these rules with written permission of the homeowner/landlord. A copy of this permission must be furnished with the Application Request Form.

IX. Enforcement

- A.** If these rules are violated, the Association may bring action for declaratory relief with the FCC or any court of competent jurisdiction after notice and an opportunity to be heard. If the court or FCC determines that the Association rule is enforceable the Association for each violation shall impose a fine of \$50. If the violation is not corrected within a reasonable amount of time, additional fines of \$10 per day will be imposed for each day that the violation continues. To the extent permitted by law, the Association shall be entitled to reasonable attorney fees, costs, and expenses incurred in the enforcement of this policy.

- B.** If antenna installation poses a serious, immediate safety hazard, the Association may seek injunctive relief to prohibit or seek removal of the installation.

X. Severability

If any provision is ruled invalid, the remainder of these rules shall remain in full force and effect.

A survey map with exact location/placement of satellite dish/antenna, specifications, mounting plans and neighbors' signatures, if the proposed antenna or satellite dish is visible from their property, should be submitted to the AC for approval.

Setbacks & Yards

Set back requirements from property lines are established by the Declarant and ordinance and are subject to public utility easements, drainage easements, right-of-way, and landscape easements depicted on the recorded plats.

Siding

Owners shall seek the approval of the AC before installing or replacing siding which differs from original material. For material that is the same as original, no approval is required for detached single family homes.

Signs

No sign whatsoever shall, without the AC's prior written approval of plans and specifications therefore, be installed, altered, or maintained on any Unit or on any portion of a structure visible from the exterior thereof, except: one temporary sign per Unit that advertises property For Sale or For Rent, which has a maximum face area of four square feet, and which is conservative in color and style; such permits as may be required by legal proceedings; such permits as may be required by governmental entity.

Signs must comply with the municipal and HOA ordinances

One security company sign may be placed near the front door of the property without approval.

Under no circumstances shall more than one job identification sign be approved by the AC during approved Architectural of any structure. No vendor or subcontractor sign will be posted at any time before, during, or after construction. However, in order to promote local businesses, vendors or subcontractors that are hired for your subdivision are allowed to display not more than one sign (maximum dimensions of 4'x4') only during construction/services without approval. In order for this rule to be reinforced, their home address must also be displayed on the sign. After project completion, signs must be removed from the property.

A survey map with exact placement of the sign, dimensions, and sign content should be submitted to the AC for approval.

During the initial construction period, there is no restrictions for signage for the Developer/Builder.



Solar Panels

Palmetto HOA Guideline Recommendations

- Photovoltaic (PV) system requirements are listed below:
- Solar and installations will be reviewed on an individual basis by the ARB.
- Solar panels will not be allowed on the front roof of homes unless the home owner shows proof that no other locations will provide adequate sun light for the efficient operation of the solar panels. The ARB reserves the right to determine the placement of the panels on front roof lines as long as the efficiency of the panel is not negatively affected.
- No trees may be removed or trimmed to improve satellite reception or solar efficiency without a separate ARB approval and any required Tree Permit from the appropriate municipal jurisdiction.
- An ARB Approval letter and any required Building and Electrical Permits must be obtained before work begins. A municipal Building Dept. Final Inspection is required for all solar system installations.
- Contractor installation drawing showing the planned configuration and location of the array on the roof must be submitted for ARB approval. Array must be continuous, without gaps, except as needed around roof vent pipes or flues, or if necessary to continue the array on an adjoining roof. Roof condition and remaining shingle life should be verified before array installation.
- Wind load for the array shall be compliant for our area.
- Contractor must be licensed for solar installations by the manufacturer and meet federal, state, and local regulations and licensing requirements. (NABCEP Certified for a minimum of 3 years, Licensed General Contractor)
- Standoff arrays must be installed on the roof with no more than a three inch (3") rise in elevation from the roof to the bottom of the array. Integrated PV arrays on the rear roof are also permitted. Ground mounted arrays and front roof facing the street will be considered for approval on a case by case basis.
- Array must be flat (no tilting or tracking) with non-reflective surfaces, no ridges, curves or exposed piping. Exposed wiring must be inside rigid or flexible metal conduit.
- Array must not extend beyond the vertical sidewall of the house or rise above the front ridge line. If the roof overhang is minimal, additional distance between roof edge and solar device may be required.
- The color of the panels should blend with the roofing material as much as possible, with black being the default color.
- Systems may be leased or owned by the homeowner as long as the system conforms to the above guidelines.

Walkways and Patios

Appearance:

Patios and walkways shall be created in scale with the site and existing structures. Slope of the patios and walkways and that of the adjacent yard shall preserve the original run-off flow pattern and shall not cause excessive water to be directed to a neighboring property or to the house foundation.

Location:

Patios shall be confined to the rear yard while walkways will be confined to the side and rear yards. The patio and walkway size, design and setbacks to adjacent property lines shall be kept in proportion to the existing structures and site. All walkways and patios shall be a minimum of 18" from property lines. Lot size and configuration may permit reduction of the 18" setback in particular instances, but specific approval of the AC is required for a setback less than 18".

Materials:

Generally, brick, concrete, concrete pavers, flagstone and slate will be considered as acceptable materials. Materials and color chosen shall complement the existing structures. All patios and walkways shall be reviewed on an individual basis for material, installation method, color and location.

Requirements:

All patios and walkways must maintain proper drainage on the site. If a walkway or patio is planned, homeowners are required to provide a plan that details drainage patterns and runoff.

A **recorded** survey map of the property, a drawing of the exact placement and dimensions of the patio or walkway, materials, color, and installation method are required with all architectural requests. There are impervious limitations specific to each lot and must be noted on the application.

Tanks, Woodpiles, Etc.**Requirements:**

No exposed, above ground tanks will be allowed. Woodpiles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring lots, streets or detached single family dwelling.

Yard Sales

Instructions:

Homeowners wishing to host a garage/yard sale must adhere to the following guidelines:

- Your HOA management company must be notified at least two weeks in advance of the intended date.
- Sales may not last longer than one weekend, for example, Friday-Sunday. At the end of each sale day, all items relating to the sale must be removed from public view (i.e. stored in the garage or the house). The items may be replaced in the yard or driveway the following morning.
- The number of garage/yard sales per property is limited to two per calendar year.
- Sales may only be held between the hours of 6:00AM and 3:00PM. Local municipal quiet hours must be observed while setting up/taking down the sale items.
- A maximum of two signs advertising the sale may be used in the community. Signs may not have a face area exceeding four square feet. Signs may be placed in common areas two days prior to the sale and must be removed immediately after the completion of the sale. Signs may be placed on another homeowner's property with their permission.
- Noise relating to the sale should be kept to a minimum (i.e. no loud music).

Construction Guidelines

Requirements:

Inspections: The Applicant shall schedule and coordinate a review of all construction activities with the ARC to verify compliance with the approved plans and specifications. The ARC may also perform additional periodic informal inspections to ensure that work is being performed in conformance with approved plans, these Architectural Guidelines and the Community-Wide Standard. All inspections are observations only and will not relieve the obligation to obtain inspection approvals from your municipality and other organizations having jurisdiction.

Job sites not in compliance with the Declaration, these Architectural Guidelines or approved plans will be issued a Notice of Violation and a punch list of items needed to bring the construction and/or job site into compliance. Further construction is prohibited until such punch list items have been corrected.

Construction Damages: Any damage to vegetation or common area facilities caused by the Applicant, its contractors, sub-contractors, agents or employees must be corrected immediately to the satisfaction of the ARC, the Declarant, and the Owner of the damaged property. If the damage is not corrected, the Declarant or the Association may repair such damage and assess the costs of repair to the Applicant.

Conduct: The Applicant must ensure that all contractors and subcontractors control the conduct of their employees while working in your subdivision. Loud music, profanity and other behavior which is unbecoming of a quality operation will not be tolerated. Employees violating this policy may be asked to leave the premises and may be denied future access to the neighborhood.

Site Cleanliness: All sites must be maintained in a clean and orderly manner at all times. The storage of materials should be in an inconspicuous location within the site and stored neatly and orderly. All construction debris shall be cleared at the end of each working day.

Limitation of Liability

Plans and specifications are not approved for engineering or structural design or quality of materials and by approving such plans and specifications neither the AC, the members thereof, nor the Association assumes liability or responsibility therefore, nor for any defect in any structure constructed from such plans and specifications. Neither the Declarant, the Association, **the AC**, nor the officers, directors, members, employees, and agents of any of them shall be liable in damages to anyone submitting plans and specifications to any of them for approval, or to any Owner affected by these restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications and every Owner agrees that such person or Owner will not bring any action or suit against Declarant, the Association, the AC, or the officers, directors, members, employees, and agents of any of them to recover any damages and hereby releases, remises, quitclaims, and covenants not to sue for 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.

Exhibit A:

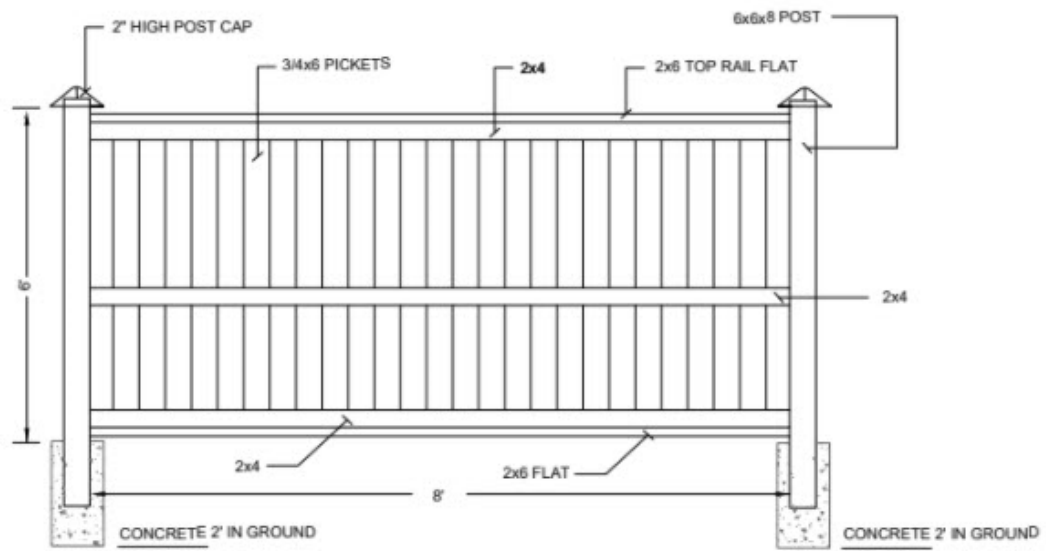
Fencing allowed types:

Ascot Puppy Picket



Standard metal black fencing





FENCE DETAIL - Kitchin Farms, Mungo Homes



Stockage Fence Type Permissible