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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

SPRING PARK

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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
SPRING PARK

THIS DECLARATION is made as of the ~~20th~~^{21st} day of August, 1998 by PACE/DOWD PROPERTIES, LTD., a North Carolina corporation, with reference to the following facts:

RECITALS

A. Declarant is the owner of certain real property in Mecklenburg County, North Carolina, comprising a subdivision to be known as Spring Park as shown on maps recorded in Map Book 29 at Page 427 in the Mecklenburg County Public Registry ("Phase I").

B. Declarant owns or may acquire in the future certain real property in Mecklenburg County, North Carolina, located adjacent to Phase I. Declarant may, in its sole discretion and without obligation, by one or more supplemental filings pursuant to Article 16 hereof, make all or any portion of the Additional Land (as herein defined) subject to this Declaration and part of the Project (as defined in Section 1.23 hereof). The provisions of Article 16 hereof must be strictly complied with by Declarant in order to make all or any portion of the Additional Land subject to the Declaration and part of this Project. No act or acts of Declarant, including the recordation of a plat or plat indicating lots included in the subdivision, shall be taken to imply, or be construed as, subjecting the additional land to this Declaration and shall not constitute a common plan and scheme of development until strict compliance with Article 16 has been effected by Declarant. Declarant intends to improve the Project as a planned residential development by dividing the Project into lots appropriate for single-family detached dwellings or single-family townhomes with deeded lots.

C. Declarant intends to develop Phase I under a common scheme and general plan for the improvement and maintenance of Phase I and, to the extent determined by Declarant from time to time in the future, all or any part of the Additional Land.

D. For this purpose Declarant intends to subject Phase I (and so much of the Additional Land as shall, from time to time, be annexed to the Project in accordance with the provisions of this Declaration) to the covenants, conditions, restrictions, easements, liens, charges, assessments and equitable servitudes set forth in this Declaration, for the benefit of the Project and the future owners thereof.

E. Declarant deems it desirable for the management and administration of the planned development and for the preservation of the values and amenities of the planned development to incorporate Spring Park Community Association, Inc. as a non-profit corporation under the laws of the State of North Carolina for the purposes of administering and enforcing the limitations, covenants, conditions, restrictions, easements, liens and equitable servitudes created by or imposed in accordance with the provisions hereof, collecting and disbursing the

assessments and charges imposed in accordance with the provisions hereof, and exercising such other powers as may be authorized by this Declaration, by law, or by its Articles of Incorporation and Bylaws.

NOW, THEREFORE, Declarant hereby declares as follows:

ARTICLE I

DEFINITIONS

The following terms shall have the following meanings when used in this Declaration:

1.01. Additional Land. "Additional Land" means the real property described in Exhibit A attached hereto and the land that adjoins the boundaries thereof or whose boundary is within 1,000 feet of any boundary line of the property described in Exhibit A, all or any portion of which may from time to time be made subject to this Declaration pursuant to the provisions of Article 16 hereof.

1.02. Appraisal. "Appraisal" means an appraisal by a member of the Appraisal Institute of the National Association of Real Estate Boards (or, if such Institute is not then in existence, a like organization).

1.03. Articles. "Articles" means the Articles of Incorporation of the Association, including any amendments thereto.

1.04. Association. "Association" means Spring Park Community Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

1.05. Board. "Board" means the Board of Directors of the Association.

1.06. Builder. "Builder" means any person or firm in the business of building and selling homes to individuals and selected by Declarant to buy Lots and construct homes for sale in the Project, including, but not limited to, Weekly Homes, L.P. and NVR Homes, Inc.

1.07. Bylaws. "Bylaws" means the Bylaws of the Association, including any amendments thereto.

1.08. Common Area. "Common Area" means all real property owned by the Association for the common use and enjoyment of its Members, including the Recreational Common Area when conveyed to the Association, but does not include real property over which the Association has only an easement.

1.09. Completion of Sales. "Completion of Sales" means the earlier of (1) conveyance of all portions of the Property to purchasers other than a successor Declarant hereunder or (2) expiration of the later of (i) twenty (20) years from the closing of the first sale of a Lot to a purchaser other than a Builder or a successor Declarant hereunder or (ii) five (5) years from the

conveyance of the first Lot in the Phase most recently made subject to this Declaration to a purchaser other than a Builder or a successor Declarant hereunder; provided, however, if Declarant is delayed in developing the Project, constructing improvements or selling Lots and dwellings due to strikes or work stoppages; shortages of materials, supplies, fuel, power, or energy; moratoria or suspensions on issuance of land use permits and approvals or affecting the availability of water, sewer, power or other utilities or necessary services; inclement weather; civil strife; major disaster or other cause beyond Declarant's reasonable control, said twenty (20) year period shall be extended by the period of any such delay.

1.10. County. "County" means Mecklenburg County in the State of North Carolina.

1.11. Declarant. "Declarant" means Pace/Dowd Properties, Ltd., a North Carolina corporation, and any successor or assign to whom Declarant assigns its rights and interests as Declarant hereunder in whole or in part by instrument recorded in the official records of the County.

1.12. Declaration. "Declaration" means this Declaration and all amendments or supplements hereto.

1.13. ~~INTENTIONALLY DELETED.~~

1.14. Lot. "Lot" means any numbered single family lot or plot of land, together with any improvements thereon, as shown upon any recorded final subdivision map covering the Project or a part thereof, which is not a dedicated street or Common Area.

1.15. Member. "Member" means a member of the Association.

1.16. Mortgage. "Mortgage" means a mortgage or deed of trust which constitutes a first lien upon a Lot given to a bank, savings and loan association or other institutional lender for the purpose of securing indebtedness incurred to purchase or improve a Lot.

1.17. Mortgagee. "Mortgagee" means the holder of the beneficial interest in any Mortgage.

1.18. Notice and Opportunity for Hearing. "Notice and Opportunity for Hearing" means giving at least fifteen (15) days' prior notice of a proposed action and the reasons therefor, and an opportunity to be heard by the Board, orally or in writing, not less than five (5) days before the effective date of the proposed action.

1.19. Owner. "Owner" means the record owner, whether one or more persons or entities, of a fee simple title to any Lot, and shall include Declarant and Builder as to any Lot owned by Declarant or Builder unless otherwise qualified herein. "Owner" shall not include any person or entity who holds an interest in a Lot merely as security for the performance of an obligation or as a tenant.

1.20. Person. "Person" means an individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.21. Phase. "Phase" means each of Phase I and all the real property covered by a Supplemental Declaration recorded pursuant to Section 16.02 of this Declaration.

1.22. Phase I. "Phase I" means the real estate which comprises a total of ~~21.08~~ ^{21.08} acres, more or less, and is shown on plats recorded in Map Book 29 at Page 427 in the Mecklenburg County Public Registry.

1.23. Project. "Project" means the planned development known as Spring Park which shall be developed and constructed on part or all of the Property, consisting of Phase I and any additional Phases of real property but only to the extent made subject to this Declaration by recordation of a Supplemental Declaration pursuant to Section 16.02 of this Declaration.

1.24. Property. "Property" means collectively Phase I and the Additional Land.

1.25. Recreational Common Area. "Recreational Common Area" means that portion of the Project which Declarant will complete and convey or cause to be conveyed to the Association for the common use and enjoyment of its Members as recreational land, together with any and all improvements constructed thereon.

1.26. Rules and Regulations. "Rules and Regulations" means reasonable and nondiscriminatory rules and regulations as may be adopted from time to time by the Association, provided notice of such rules and regulations has been given to Owners in accordance with the requirements of this Declaration.

1.27. Substantial Completion. "Substantial Completion" means that the improvement in question has been constructed in such a manner that it can be used for its intended purpose.

1.28. Supplemental Declaration. "Supplemental Declaration" means a supplemental declaration of covenants, conditions and restrictions which shall be recorded for the purposes of annexing additional property, including all or any portion of the Additional Land, to the Project and causing such property to be subject to the scheme of covenants, conditions and restrictions contained in this Declaration.

1.29. Town. "Town" means the City of Charlotte in Mecklenburg County, North Carolina.

1.30. Voting Power. "Voting Power" means the total number of votes held by all Members (and if there is more than one class of Members, the total of each class of Members) whose membership at the time the determination of voting power is made has not been suspended in accordance with the provisions of this Declaration or the Rules and Regulations. Voting Power shall be computed by including all such Members whether or not such Members are present in person or by proxy at a meeting. All voting specifications and requirements shall apply to the entire Project.

ARTICLE 2

SUBMISSION AND TERM

2.01. Submission. The Project shall be held, conveyed, hypothecated, encumbered, sold, leased, rented, used, occupied and improved subject to each and all of the limitations, covenants, conditions, restrictions, easements, liens, charges, assessments and equitable servitudes set forth herein, all of which are declared to be (i) in furtherance of a common scheme and general plan for the development, improvement and maintenance of the Project and (ii) for the purpose of enhancing, maintaining and protecting the value, desirability and attractiveness of the Project. All of the limitations, covenants, conditions, restrictions, easements, liens, charges, assessments and equitable servitudes set forth herein shall run with, be binding upon and inure to the benefit of the Project, shall be binding on and inure to the benefit of each and every person having or acquiring any right, title or interest in the Project, shall be binding upon and inure to the benefit of the successors in interest of such persons, and shall inure to the benefit of the Association, its successors and assigns.

2.02. Incorporation of Declaration Into Instruments. Any deed or other instrument by which a Lot is conveyed shall be subject to the provisions of this Declaration and shall be deemed to incorporate the provisions of this Declaration, whether or not the deed makes reference hereto.

2.03. Term. This Declaration shall remain in force for a term of twenty (20) years from the date this Declaration is recorded, after which time it shall be automatically extended for successive periods of ten (10) years, unless sooner terminated by the affirmative vote of seventy-five percent (75%) of the total Voting Power of the Association and the written consent of seventy-five percent (75%) of the Mortgagees.

ARTICLE 3

COMPLIANCE WITH MANAGEMENT DOCUMENTS

3.01. Compliance with Declaration and Other Documents. Each Owner, resident or tenant of a Lot shall comply with the provisions of this Declaration, the Bylaws, Rules and Regulations duly adopted by the Association, decisions and resolutions of the Association and its duly authorized representative, all as may be amended from time to time, and failure to comply with any such provisions, decisions or resolutions, shall be grounds for an action to recover sums due for damages or for injunctive relief.

3.02. Resolution of Conflicts Between Documents. Each Owner covenants and agrees that the administration of the Project shall be in accordance with the provisions of this Declaration, the Articles, the Bylaws and Rules and Regulations duly adopted by the Association. If there are any matters of conflict or inconsistencies in the Bylaws, Articles and this Declaration, then, the provisions of the Declaration shall prevail. In the event that anything shown on a recorded final subdivision map for all or any portion of the Project is in any way

inconsistent with provisions of this Declaration, then the provisions of this Declaration shall prevail. If a dispute arises among Owners in regard to the administration of the Project, then the provisions of this Declaration shall prevail.

ARTICLE 4

PROPERTY RIGHTS

4.01. Common Area Easements. Each Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Area and of access to and from his Lot over any streets comprising a portion of the Common Area (if any), which rights and easements shall be appurtenant to and shall pass with the title to his Lot and subject to the following rights and restrictions:

(A) The right of the Association, after Notice and Opportunity for Hearing, to limit the number of guests of an Owner, to charge reasonable admission and other fees for the use of the Recreational Common Area facilities, if any, and to limit the use of said facilities to Owners who occupy a residence in the Project.

(B) The right of the Association to suspend the right of an Owner to use the Recreational Common Area facilities (1) for any period during which a fine against a Member or any assessment against such Owner's Lot remains unpaid; and, (2) after Notice and Opportunity for Hearing, for a period not to exceed ninety (90) days for any infraction of the Rules and Regulations;

(C) The right of the Association to grant easements and to dedicate or otherwise convey all or any part of the Common Area as provided in this Declaration;

(D) The right of the Association to borrow money to improve, repair, restore and reconstruct the Common Area and to place liens on the Common Area and otherwise encumber the Common Area for such purposes, subject to the approval of Members and Mortgagees as otherwise provided in this Declaration;

(E) The right of the Association to adopt Rules and Regulations governing use and enjoyment of the Common Area; and

(F) Easements for ingress, egress, use and enjoyment over, in, to and throughout the Common Area for the benefit of Declarant or any successor Declarant.

4.02. Delegation. Any Owner may delegate his rights of use and enjoyment of the Common Area and any facilities thereon to the members of his family or household residing on his Lot and to his guests and invitees while he is in possession of his Lot, subject, however, to reasonable restrictions imposed by the provisions of this Declaration, the Bylaws and the Rules and Regulations. Guests and invitees shall not be permitted on the Common Area unless the Owner or household member delegating his rights of use and enjoyment is physically present to accompany such guests and invitees while they are on the Common Area. Provided the notice required by

Section 4.03 of this Declaration has first been given to the Association, a tenant of an Owner, while residing on such Owner's Lot, shall be entitled to use and enjoy the Common Area and any facilities thereon and to delegate rights of use and enjoyment in the same manner as if such tenant were the Owner of such Lot. No such delegation shall release an Owner from his obligations hereunder, including, without limitation, the obligation to pay regular and special assessments.

Upon request, each Owner or tenant shall notify the Secretary of the Association of the names of all persons to whom such Owner or tenant has delegated any rights of use and enjoyment of the Common Area and the relationship that each such person bears to such Owner or tenant. Any delegated rights of use and enjoyment are subject to suspension to the same extent as the rights of Owners.

4.03. Tenants.

(A) Any Owner who rents or leases his Lot to a tenant shall not be entitled to use and enjoy any recreational or other common facilities on the Common Area during the period the Lot is occupied by such tenant.

(B) No Owner shall lease or rent less than an entire Lot and no more than one family related by blood or marriage shall live in any one Lot. Except as provided in Section 7.20, the Lots shall not be leased or rented for hotel or transient purposes and no rental agreement or lease shall be made for a period of less than sixty (60) days. Subject to the foregoing restrictions, Owners shall have the right to lease or rent their Lots, provided that any lease or rental agreement between an Owner and a tenant shall be in writing and shall provide that it is in all respects subject to the provisions of this Declaration, the Bylaws, and the Rules and Regulations and that any failure by the tenant to comply with such provisions shall be a default under the rental agreement or lease. However, the failure of any lease or rental agreement to so provide shall not excuse any person from complying with the provisions of this Declaration, the Bylaws, and the Rules and Regulations.

(C) In the event an Owner shall rent or lease his Lot such Owner shall immediately give to the Association in writing:

- (1) the name of the tenant and the Lot rented or leased;
- (2) the current address of such Owner;
- (3) a true and complete copy of the lease or rental agreement; and
- (4) the certification of the Owner that the tenant has been given a copy of this Declaration, any applicable amendments, the Bylaws and the Rules and Regulations and that such tenant has been advised of any obligations he may have thereunder as a tenant.

(D) In no event shall any lease or rental agreement release or relieve an Owner from the obligation to pay regular and special assessments to the Association, regardless of

whether the obligation to pay assessments has been assumed by the tenant in such lease or rental agreement.

4.04. Reciprocal Easements. There shall be reciprocal appurtenant easements between each Lot and such portion or portions of the Common Area as may be adjacent thereto and between adjacent Lots for the flow of rainwater from gutters and downspouts; provided, however, that no such easement shall unreasonably interfere with the use and enjoyment of the Common Area or any adjacent Lot. If any Common Area or Lot encroaches upon a Lot because of the placement, construction, reconstruction, repair, movement, settling or shifting of the improvements constructed, reconstructed or repaired in accordance with the provisions of this Declaration, including a driveway, an easement for the encroachment and for its maintenance shall exist to a distance of not more than one (1) foot as measured from any point on the common boundary between the Common Area and the Lot or between Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, that in no event shall such an easement exist for willful encroachments. If any Lot encroaches upon the Common Area as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of the Project, an easement for the encroachment and for its maintenance shall exist so long as it remains.

4.05. Utility Easements. A perpetual easement is reserved over the rear ten (10) feet and side five (5) feet of each Lot and as shown on all recorded subdivision maps of the Project for installation, maintenance, use or repair of public (or quasi-public) utilities, cable television or public (or quasi-public) storm drainage. All easements for installation, maintenance, use or repair of public (or quasi-public) utilities, cable television or public (or quasi-public) storm drainage facilities which are dedicated on any final subdivision map of the Project or created in some other way and extend over the rear ten (10) feet and each side five (5) feet of every Lot shall be kept free of buildings, and within such easements no structure shall be placed or permitted to remain which may damage or interfere with the installation, maintenance, use or repair of such public (or quasi-public) utilities, cable television or drainage facilities, or which may damage, interfere, or change the direction or flow of drainage in the easements. All such easements at all times shall be accessible to Declarant until the Project is completed and at all times shall be accessible to all persons installing, repairing, using or maintaining such utilities, cable television and drainage facilities. The easement area for each Lot and all improvements in it shall be maintained continuously by the Owner of such Lot, except for those improvements for which a public (or quasi-public) authority or utility company is responsible. Declarant reserves the right to create and impose additional easements or rights-of-way over unsold Lot(s) for street, drainage, and utility installation purposes by the recording of appropriate instruments and such shall not be construed to invalidate any of these covenants.

4.06. No Subdivision of Lots; No Time-Sharing. There shall be no further subdivision or partition of any Lot nor shall any Owner or any other person acquiring any interest in a Lot seek any partition or subdivision thereof. There shall be no time-sharing or other co-ownership which allows multiple Owners sequential possessory interests in a Lot.

4.07. Sale of Common Area. Except as otherwise provided in this Declaration, no sale, transfer, dedication, hypothecation, partition, subdivision, abandonment, release or alienation of

the Common Area shall occur or be valid, whether by act or omission of the Association, without the vote or written consent of sixty-seven percent (67%) of the total Voting Power of all Members [other than Declarant].

4.08. Rules and Regulations. The Board shall have the right to write, amend, supplement, adopt, publish and enforce Rules and Regulations governing the Project, the use and enjoyment of the Common Area, the Recreational Common Area and any facilities thereon, and the personal conduct thereon of the Owners, their guests, invitees, members of their families or households and tenants. The Members may amend any such Rules and Regulations adopted by the Board at any regular or special meeting of Members called for such purpose by (i) if a two-class voting structure is in effect, the vote or written consent of sixty-seven percent (67%) of the total Voting Power of each class of Members of the Association, or (ii) if a two-class voting structure is not in effect, the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association. Such Rules and Regulations shall be reasonable, shall not discriminate against Declarant or Builder (or have an adverse impact on Declarant or Builder or upon the sale of Lots or the construction of improvements thereon), and must be consistent with this Declaration, the articles and the Bylaws.

4.09. Enforcement. The Association shall have the right, after Notice and Opportunity for Hearing, to levy fines for infraction of the provisions of this Declaration or the Rules and Regulations, provided (i) the Member shall have been warned in writing of a previous infraction within the preceding one (1) year, and (ii) the fine conforms to the provisions of Section 9.11.

4.10. Recreational Common Area. The Recreational Common Area facilities shall include a tot lot, picnic areas and walking trails and shall be located on a portion of the Common Area to be owned by the Association.

Annual assessments shall commence in accordance with Section 9.09. Upon acquisition of record title to a Lot from Declarant or Builder, each Owner other than Declarant or Builder shall contribute to the capital of the Association an amount equal to one-fifth (1/5th) of the amount of the annual assessment for that Lot as determined by the Board, such contributions to be used by the Association for the maintenance, repair and replacement of the Recreational Common Area.

The Board may appoint any committee it desires composed of one or more members of the Board and one or more Members of the Association to recommend procedures, rules and regulations to the Board for the operation and use of the Recreational Common Area.

4.11. Berm and Landscape Easement. Any portion of a Lot which shares a berm, landscape planting, irrigation system or the Project monumentation with the Common Area or any other area for which the Association is responsible for the maintenance thereof, shall be subject to an easement in favor of the Association for landscaping, mowing and maintenance of the berm, landscape planting, irrigation system or the Project monumentation. No alternation, removal or modification to such berm, landscape planting, irrigation system or the Project monumentation shall be permitted without the prior written approval of the Declarant, its successors or assigns.

ARTICLE 5

COMMON AREA EASEMENTS AND RIGHTS OF WAY; ENCUMBRANCES

5.01. Dedications. The Association shall have the power to grant easements in, on, over, through, and across the Common Area for any public or quasi-public improvements or facilities and their appurtenances, including, without limitation, street, sewer, drainage, water, gas and sprinkler improvements and facilities, provided (i) any such easement does not unreasonably interfere with the use and enjoyment of the Common Area or any Lot and (ii) the prior written consent of Declarant shall be obtained so long as Declarant owns any Lot. If ingress or egress to any Lot is through the Common Area, any conveyance or encumbrance of such Common Area is subject to said Lot Owner's easement. Each Owner, by accepting a deed to a Lot, expressly grants to the Association an irrevocable power of attorney for the purpose of granting easements in, on, over, through and across the Common Area. The President or other duly designated officer of the Association may execute, acknowledge and record in the official records of the County a certificate stating that the Board is the attorney in fact for the Owners for the purpose of such grant and that such power of attorney is properly exercisable in accordance with this Declaration. The acts of the Board in exercising its power of attorney shall be conclusively binding on all Owners. The power of attorney herein granted shall include authority to do such acts incidental to such grant and to incur such expenses as may be necessary or convenient in connection therewith. The Board, by resolution, shall instruct the appropriate officers of the Association to make, execute and deliver on behalf of any Owner, as his interest may appear, any and all instruments, certificates and documents, including but not limited to, releases, waivers, deeds, escrow instructions and conveyances of every kind and nature, as may be deemed necessary or convenient for such dedication or grant.

5.02. Encumbrances. The Association shall have the right to borrow money to improve, repair, restore and reconstruct the Common Area and to place liens on the Common Area and otherwise encumber the Common Area for such purposes upon the vote or written consent of sixty-seven percent (67%) of the total Voting Power of all Members [other than Declarant].

ARTICLE 6

COMMON AREA AND LOT MAINTENANCE

6.01. Maintenance by Association. The Association shall repair and maintain the Common Arca including the Recreational Common Area and any improvements, utilities and facilities located on the Common Area. The Association's maintenance obligation shall arise upon the filing with the Association by Declarant of a notice of completion of Common Area improvements, or any portion thereof, and the commencement of annual assessments against the Owners. The Association shall maintain and repair all signage, irrigation facilities, lighting and landscaping that may be installed on or within public street medians throughout the Project.

The Association may contract with the local electrical power utility for the installation and thereafter continuous operation of decorative streetlights to be located within the public streets in the Project and such fees charged by the utility shall be paid from the annual assessments.

6.02. Maintenance by Owners. Each Owner, at all times, shall maintain, repair and otherwise be responsible for his Lot and the improvements thereon. Without limiting the generality of the foregoing, and subject to the requirements of Section 14.02 of this Declaration, an Owner shall be responsible for replacement and reconstruction of improvements on his Lot required because of damage or destruction by fire or other casualty and each Owner shall maintain, repair and replace the surface and subsurface drainage facilities and appurtenances located on his Lot as may be necessary to maintain good and proper drainage of the property and other real property in the vicinity, except for such facilities the maintenance of which has been assumed by the County or other governmental entity. If any Owner, after Notice and Opportunity for Hearing, fails to maintain, repair and replace such drainage facilities and appurtenances as required herein, the Association, at the expense of such Owner, shall maintain, repair or replace such drainage facilities and appurtenances at the sole cost and expense of such Owner, and the Board, without the vote or written consent of Members, may levy a special assessment against such Owner to obtain reimbursement therefor as provided in Section 9.07.

No building or other structure shall be placed or permitted to remain on any Lot which may damage or interfere with the use, maintenance, repair or replacement of such drainage facilities and appurtenances and no Owner shall do any work, construct any improvements, place any landscaping or suffer the existence of any condition whatsoever which shall alter or interfere with the drainage pattern for the Lots or Common Area as established in connection with the approval of the subdivision map or maps applicable to the Project by the County, except to the extent such alteration in drainage pattern is approved in writing by the Association and all public (or quasi-public) authorities having jurisdiction. All such drainage facilities and appurtenances shall at all times be accessible to Declarant until the Project is completed and at all times shall be accessible to the Association and all persons installing, using, maintaining, repairing or replacing such drainage facilities and appurtenances. Declarant may from time to time present for recordation in the official records of the County instruments showing the approximate locations of subsurface storm drainage facilities and of subsurface groundwater drainage facilities. If for any reason any such instrument is not accepted for recording, Declarant may deliver such instrument to the Association, and the Association shall maintain the same as part of its permanent records. In either event, each Owner shall be deemed to have notice of the location of such drainage facilities as may be shown in such instrument.

6.03. Negligence. The cost of repair or replacement of any improvement to be maintained and kept in repair by the Association, which repair or replacement is required because of the act or omission of any Owner, shall be the responsibility of and paid for by such Owner.

6.04. Right to Enter. After reasonable notice to the occupant, the Association or its agents shall have access over and upon any Lot when necessary in connection with any repair, maintenance, or replacement of improvements for which the Association is responsible or for the enforcement of this Declaration, and each Owner shall accept title to his Lot subject to such right of access of the Association or its agents.

ARTICLE 7

USE RESTRICTIONS

In addition to the restrictions set forth in Article 14 below, the following apply to the Project:

7.01. Residential Use. Except as otherwise provided in this Declaration, each Lot shall be used solely for the construction and occupancy of a residence for a single family and for no other purpose. Except as provided in Section 7.20, no Owner shall use or cause or permit his Lot to be used for any business, commercial, manufacturing or mercantile use or purpose, or for any other nonresidential use or purpose. No structure shall be erected, altered, placed or permitted to remain on any Lot exceeding two and one-half (2-1/2) stories in height, and a private garage for not more than three (3) cars and other outbuildings incidental to residential use of the Lot.

7.02. Unlawful Activity. No unlawful activity shall be conducted on any Lot or in any other part of the Project. Nothing shall be done within the Project that is an unreasonable annoyance, inconvenience or nuisance to the residents of the Project, or that unreasonably interferes with the quiet enjoyment of occupants of Lots. No doorways, walkways or streets shall be obstructed in any manner which would interfere with their use for ingress or egress in the event of fire, earthquake or other emergency.

7.03. Parking. Unless otherwise permitted by the Rules and Regulations no boat, trailer, recreational vehicle, camper, truck or commercial vehicle shall be parked, stored or left (a) on any undesignated part of the Common Area, (b) in any driveway or (c) on any other part of a Lot, (d) or otherwise in the Project unless the same are fully enclosed within the garage located on the Lot, or are kept behind the house on the Lot which fully hides them from the view of the public walking by such Lot or otherwise properly screened in accordance with the Rules and Regulations. Any such vehicle shall be parked, stored or left wholly within the garage located upon the Lot, except to the extent same is already occupied to capacity, in which case such vehicle may be parked temporarily in the driveway once during any calendar month for not more than 24 consecutive hours. This restriction shall not apply to sales trailers, construction trailers, or other vehicles which may be used by Declarant and its agents and contractors in the conduct of their business prior to Completion of Sales. No boat, truck, trailer, pre-manufactured home, camper, recreational vehicle or tent shall be used as a living or dwelling area within the Project. No repairs to or maintenance of any automobile or other vehicle shall be made or performed on any driveway within the Project, except in the case of emergency and except as may be permitted by the Rules and Regulations. No unlicensed, wrecked or inoperable vehicles may be left on a Lot outside an enclosed structure.

7.04. Signs, Curtains and Flags. No Owner shall place on or about any window any metallic foil or other coating, substance or material which acts as a reflector of light and no Owner shall display, hang, store or use any signs, curtains, draperies, shades, stained glass, flags or other articles whatsoever outside of the dwelling on any Lot so as to be visible from outside the Lot, excluding seasonal decorations, the flag of the United States of America and as otherwise may be permitted by the Rules and Regulations. Flagpoles for seasonal decorations and the flag of the United States of America must be attached to the main dwelling, shall be no more than five (5) feet

in length and shall not be mounted on the roof of any dwelling. Notwithstanding the foregoing, one professionally manufactured sign of not more than five (5) square feet advertising a Lot for sale or rent may be placed by the Owner on his Lot in such manner that it will be visible from outside the Lot. The prohibitions in this section shall not apply to Declarant or its agents, who may erect such signs as Declarant deems desirable to promote the sale of Lots.

7.05. Antennas and Dishes. No exterior antenna, satellite dish or similar exterior improvement shall be maintained upon any Lot unless the prior written approval of the Board or Architectural Control Committee is obtained; provided, however, that the Association shall not prevent access to telecommunication services in violation of applicable law. Exterior antennas, satellite dishes greater than 1 meter (39 inches) in diameter or located in the front of the dwelling, or amateur radio equipment shall not be permitted upon any Lot; provided however, that (i) an Owner may install an antenna permitted by the Rules and Regulations upon the prior written notice to the Board or Architectural Control Committee (as applicable) and the approval by such body as to the compliance of the intended antenna with the rules and regulations; (ii) the Board or Architectural Control Committee may approve other antennas in the appropriate circumstances and (iii) the Board or Architectural Control Committee may establish guidelines as technology changes. The Association may install and maintain antennas, satellite dishes or similar equipment on the Common Area to serve the Project.

7.06. Laundry. No laundry or wash shall be dried or hung upon the exterior of any Lot or any place visible within the Project from outside such Lot.

7.07. Fences. No fence or wall shall be erected on any Lot closer to the margin of the street right-of-way than the side street setback or the front of the building facade except for temporary decorative fencing installed by the builder on a model home. No fence or wall shall be erected on any berm of dirt which was placed along the side or rear lot line of any Lot by the Declarant. Screening fencing around patios, decks, pools, or sanitary containers not to exceed six (6) feet in height may be erected only with the prior approval of the Board or the architectural control committee. Perimeter fencing shall be picket fencing, decorative metal, board or split-rail only, four (4) feet in height, and any other fencing, including chain link or other type of metal fencing, is expressly prohibited, except that metal fencing attached to the split-rail or board fencing may be used to contain animals within the yard with the prior approval of the Board or the Architectural Control Committee. The spacing between the pickets of perimeter fencing shall be not less than 1½ inches and all such pickets shall be installed on the exterior side of the fence. All fencing must be approved by the Board or Architectural Control Committee prior to installation.

7.08. Pets.

(A) No animals shall be raised, bred or kept on any Lot or the Common Area, except that dogs, cats, or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes. The number of household pets generally considered to be outdoor pets, such as dogs, cats, et cetera, shall not exceed three (3) in number except for newborn offspring of such household pets which are under nine (9) months of age. No animal shall be allowed if such animal constitutes an unreasonable annoyance, inconvenience

or nuisance to any other Owner. If the Board receives any complaint that an animal constitutes an unreasonable annoyance, inconvenience or nuisance, the Board shall afford the Owner of such animal Notice and Opportunity for Hearing, and if the Board finds that such animal constitutes an unreasonable annoyance, inconvenience or nuisance, the Board may require that such animal be removed from the Project.

(B) The Board may adopt Rules and Regulations concerning animals which are more restrictive than the provisions of this Declaration, including rules requiring that all animals be kept on a leash when in the Common Area and that animals be restricted to designated areas within the Common Area and that Owners are responsible for cleaning up any mess that a pet creates within the Common Area. The Board may adopt a rule prohibiting certain pets, which is more restrictive than the provisions of this Declaration, except that such rule shall not apply to animals residing in the Project at the time such rule is adopted. In any event, the Board at any time may require that any animal found to be an unreasonable annoyance, inconvenience or nuisance be removed as provided in Section 7.08(A).

7.09. Trash and Vegetation. No trash, rubbish, garbage or other waste material shall be kept or permitted upon any Lot or the Common Area, except in sanitary containers located in an appropriate area screened and concealed from view. No weeds, vegetation, rubbish, debris, garbage, waste materials or materials of any kind whatsoever shall be placed or permitted to accumulate on any Lot or any portion of the Project which would render it unsanitary, unsightly, offensive, or detrimental to any property in the vicinity thereof or to the Occupants of any property in such vicinity. Grass, hedges, shrubs, vines and mass planting of any type on any Lot or any portion of the Project shall be kept trimmed and shall at regular intervals be mowed, trimmed and cut so as to appear neat and attractive. Trees, shrubs, vines and plants which die shall be promptly removed. If any Owner, after Notice and Opportunity for Hearing, fails to maintain such Owner's Lot in the manner provided by this Section 7.09 the Association, at the expense of such Owner, may take such steps as are necessary in order to remedy such condition including cutting and removing of weeds, vegetation, rubbish, debris, garbage, waste materials and other accumulations on any Lot at the sole cost and expense of such Owner, and the Board, without the vote or written consent of Members, may levy a special assessment against such Owner to obtain reimbursement of the cost thereof as provided in Section 9.07.

7.10. Nuisance. No noxious or offensive activity shall be carried on in or upon any Lot or the Common Area nor shall anything be done thereon which may be or become an unreasonable annoyance, inconvenience or nuisance to the residents of the Project or unreasonably interferes with the quiet enjoyment of occupants of Lots. No Owner shall permit anything to be done or kept on his Lot which would result in the cancellation of insurance on any other residence or any part of the Common Area or which would be in violation of any law.

7.11. Building Setbacks. No building shall be erected on any Lot nearer to the margin of the right-of-way of any street than the building setback lines shown on the recorded map, and with respect to a corner Lot no residence or other building shall be located nearer than the distance shown on the recorded map to the margin of the street right-of-way. With respect to corner Lots, the front lot line shall be deemed the street line having the significantly shorter frontage, and any residence erected on such corner Lot shall face the front lot line. No building,

including a residence, shall be located nearer than five (5) feet to any side lot line or ten (10) feet to any rear lot line. Provided, however, that this provision shall not be construed to authorize or permit encroachment of any structure on a Lot upon any easement shown on the recorded plat or reserved herein or upon any other Lot. This provision shall also not be construed to authorize any violation of the zoning provisions of the appropriate governmental authority.

7.12. Temporary Structures. Except as provided in Section 7.20, no residence of a temporary nature shall be erected or allowed to remain on any Lot, and no boat, truck, trailer, shack, tent, barn, detached garage, recreational vehicle or any other building or vehicle of a similar nature shall be used as a residence on any Lot, either temporarily or permanently.

7.13. Floor Space. The floor area of each home constructed upon a Lot shall be not less than one thousand (1,000) heated square feet; provided, however, that the aforesaid square footage requirement shall be based on interior floor space, exclusive of basements, garages, porches, decks, balconies and overhangs.

7.14. Accessory Structures. No metal carport, free standing metal garage, free standing metal utility building or other accessory structure shall be erected on any Lot or attached to any residence located on the Lot. However, one (1) wooden utility building or noncommercial greenhouse may be located on any Lot so that it is directly behind the residence as viewed from a point on a line of sight perpendicular to the street right-of-way. Such structure shall not exceed 100 square feet, unless the Board approves a greater square footage. The location of all such accessory structures must be approved by the Board or the Architectural Control Committee prior to installation.

7.15. Unintentional Violations. In the event of the unintentional violation of any of the building line restrictions set forth herein, Declarant reserves the right, by and with the mutual written consent of the Owner of such Lot, to change the building line restriction set forth in the instrument, provided however, that such changes shall not be in violation of any provisions of the Zoning provisions of the appropriate governmental authority.

7.16. Above Ground Pools. No above ground pools shall be erected or installed on a Lot.

7.17. Architectural Requirements. The driveway and sidewalks on a Lot shall be constructed of concrete. The mailbox and paper holder on a Lot shall be mounted on an 11 gauge, 3-inch O.D. tube post. The mailbox shall be a #2 size rural mailbox (21-1/4 inches long x 8 inches wide). The mailbox floor shall be approximately 40 inches above the pavement. The newspaper holder shall be a 6-inch round (18 inches long) tube mounted under the mailbox. A #657-S pineapple design knob shall be on top of the post and a #40 "bell flower" design corner bracket shall be mounted under the newspaper holder. The boxes and post shall all be painted black and 3-inch gold numbers shall be applied on both sides of the newspaper holder. Specification will be provided to each owner by the Association. Lots shall be planted with standard size plantings along the front of the dwelling to screen the foundation. No above ground storage tanks shall be erected or installed on a Lot. No building, accessory structure, fence or exercise/play equipment shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by

**Spring Park Community Association
Policy Resolution #7 -- Basketball Goals**

WHEREAS, Article VIII. of the Bylaws grants the general power to conduct the business and affairs of the Association to the Board of Directors.

WHEREAS, there is a need to clarify the intended purpose of Article 7.18 of the Covenants conditions and restrictions concerning basketball goals.

NOW, THEREFORE, BE IT RESOLVED For the purpose of protecting the integrity, value and desirability of the lots, lot owner and any and all parties having the right, title or interest in such lots in the Spring Park Community, the Board of Directors establishes a policy as follows:

Side Load Garage Portable Basketball Goals must be located/stored at the back end of the driveway

Front Load Garage Portable Basketball Goals must be located/stored at the outer side of the drive, no closer to the street than the mid point of the driveway (mid point is the total length of the driveway from the garage to the sidewalk divided by two)

Goals shall be played but not stored on the sidewalk or in the street

Goals shall not be attached to the house, garage or other structure.

Permanent basketball goals require Architectural Approval prior to installation

Basketball Goals on the property that are not within the above guidelines are considered in violation of the CCR's and subject to the enforcement procedures outlined in the Association's violation policy.

Recorded in the Book of Minutes on 3/24, 2004

Signed: 3/24, 2004

Blair Vandus Boyd
Board Member

Deborah C. Schumann
Board Member

Wagout Alvarado
Board Member

Robert Jones
Board Member

Theresa Lee - Kern-Long
Board Member

Board Member

the Declarant, its successors or assigns, as to quality of workmanship and materials, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation. No dwelling erected on any Lot shall have an exterior siding of concrete block or fire brick. Any dwelling located on a Lot shall have brick to grade on the front and parge block or brick to grade on all other sides of the dwelling. No garage, carport, room, building, utility shed, fence, exercise/play equipment, pool or similar structure customarily incident to the residential use of the Lots, whether attached or detached from the main dwelling, shall be erected, placed, altered or permitted to remain on any Lot unless the design, plans and location of the same shall have been approved in writing by the Declarant, its successors or assigns. If the Declarant fails to approve or disapprove such design, plans and location in accordance with the notice provisions of Article 14.01, then further approval will not be required but will be deemed to have been waived. Declarant shall be entitled to stop any construction in violation of these restrictions so long as Declarant owns any Lot or Lots within the Project or any sections of the subdivision known or designated as Spring Park as may be shown on maps recorded in the Mecklenburg County Public Registry.

7.18. Exercise Equipment. All swing sets, play structures, basketball goals and similar equipment must be located within the building setback lines, comply with the Rules and Regulations, and the location thereof must be approved in writing by the Board or the Architectural Control Committee in accordance with the provisions of Articles 7.17 and 14.01 of this Declaration. No trampolines shall be permitted on any Lot.

7.19. Removal of Obstructions.

(A) The Declarant, its successors or assigns, without notice, may remove any obstructions of any nature located within road rights-of-way (including, but not limited to, trees, shrubs, fences, basketball goals and mailboxes) which, in the opinion of the Declarant, its successors or assigns, either might produce a hazard or might interfere with the ability or willingness of the State of North Carolina or any municipality (or agency or department thereof) to take over the responsibility for maintenance of the roads.

(B) The Declarant, its successors or assigns, shall have the right, in its sole discretion, to charge back the actual cost to it of removing obstructions against the Lot Owner who directly or through his agents, contractors or invitees caused or permitted the obstruction to be placed in the road right-of-way, and such Lot Owner shall indemnify and save the Declarant, its successors or assigns, harmless from all liability, claims, damages and expense imposed upon the Declarant, its successors or assigns, at law or in equity, caused by or resulting from the placement of the obstruction in the road right-of-way. In the event that the Lot Owner responsible for such charge or liability as aforesaid fails and refuses, after demand by the Declarant, its successors or assigns, to pay said charge or liability, then the Declarant, its successors or assigns, shall have a lien against his Lot thereon and may enforce collection of the charge or liability, together with reasonable attorneys' fees, by any and all remedies afforded by law or in equity including, without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the end that such charge or liability shall become a charge against the said Lot or dwelling unit.

7.20. Declarant's Rights. Notwithstanding anything to the contrary contained in this Article or elsewhere in this Declaration, Declarant, its agents, employees and contractors shall not be restricted or prevented by this Declaration from doing, and Declarant, its agents, employees and contractors shall have the right to do such things or take such actions as they deem necessary, advisable or convenient for completion and improvement of the Project as a residential community and for the sale, rental or other disposition of Lots in the Project. In the event of any conflict between a Builder and Declarant, the Declarant will be the prevailing party. The rights of Declarant or Builder, their agents, employees and contractors shall include, without limitation:

(A) The right and easement of ingress in, over and upon the Common Area for the purpose of performing on any part or parts of the Project acts deemed necessary, advisable or convenient for the completion and improvement of the Project as a residential community and for the sale, rental or other disposition of Lots;

(B) The right to erect, construct, maintain, demolish or remove structures and other improvements on any Common Area as they deem necessary, advisable or convenient for the completion and improvement of the Project as a residential community and for the sale, rental or other disposition of Lots; and

(C) The right to use Lots and improvements owned by Declarant or Builder as models, sales offices and contractor's offices and to construct and display promotional, informational and directional signs and other sales aids on or about any portion of the Project.

The rights of Declarant and, to the limited extent set forth herein, Builder under this section shall terminate one (1) year after the Completion of Sales. Amendment of this section shall require (i) if a two-class voting structure is in effect, the vote or written consent of seventy-five percent (75%) of the Voting Power of each class of Members of the Association, or (ii) if a two-class voting structure is not in effect, the vote or written consent of seventy-five percent (75%) of the total Voting Power of the Association. Further, no amendment of this section can be made without the written approval of Declarant and Builder.

7.21. Right to Enter. Any governmental agency, including, but not limited to the County, its agents, and employees, shall have the right of immediate access to the Common Area at all times if necessary for the preservation of public health, safety and welfare.

ARTICLE 8

MEMBERSHIP AND VOTING RIGHTS

8.01. Governing Body. The Association shall be the governing body for all Owners with respect to the management, administration, maintenance, repair and replacement of the Project, as provided by this Declaration and the Bylaws.

8.02. Membership. Membership in the Association shall be composed of and limited to Owners. Each Owner, including Declarant, shall automatically be a Member of the Association and entitled to vote as set forth below. Membership shall be

appurtenant to and may not be separated from ownership of a Lot. Upon termination of ownership, an Owner's membership shall automatically terminate and be automatically transferred to the new Owner of the Lot.

8.03. Voting. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all Owners with the exception of Declarant and Builder; provided, however, that Declarant and Builder shall become Class A Members when their Class B membership ceases as provided hereinafter. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be Members, but no more than one vote shall be cast with respect to any Lot. The vote for any such Lot shall be exercised as the Members holding an interest in such Lot determine among themselves. In the event of disagreement, the decision of Members holding a majority of interest in such Lot shall govern. Unless otherwise notified by a co-owner as to a dispute between the co-owners regarding their vote prior to the casting of that vote, the vote of any co-owner shall be conclusively presumed to be the majority vote of the Owners of that Lot.

Class B. Declarant and Builder shall be Class B Members. Builder shall be entitled to four (4) votes for each Lot owned. Declarant shall be entitled to four (4) votes for each Lot owned including each lot as shown on the Sketch Plan of the Project dated July 18, 1997, a copy of which is on file in the office of Declarant. Declarant's and Builder's Class B membership shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier:

- (1) when the total number of votes of the Class A Members equals the total number of votes of the Class B Members; provided, that the Class B membership shall be reinstated with all rights, privileges and responsibilities, if after conversion of the Class B membership to Class A membership hereunder, additional land containing Lots is annexed to the existing property; or
- (2) on December 31, 2023; or
- (3) when Declarant, at its option, so determines.

8.04. Commencement of Voting Rights. Voting rights attributable to an ownership interest shall not vest until the assessment against that interest has been levied by the Association as provided in Article 9; provided, however, that voting rights shall be immediately vested with respect to amendments to this Declaration pursuant to Section 17.08.

8.05. Declarant's and Builder's Voting Rights. No requirement for the approval of a prescribed majority of the Voting Power of Members of the Association other than Declarant or Builder for action to be taken by the Association is intended to preclude Declarant or Builder from casting votes attributable to Lots owned by Declarant or Builder.

8.06. Control by Declarant. Notwithstanding any other language or provision to the contrary in this Declaration, in the Articles of Incorporation, or in the Bylaws of the Association,

Declarant hereby retains the right to appoint and remove any person, whether or not an Owner, on the Board of Directors of the Association and any officer or officers of the Association until ninety (90) days after the first of the events to transpire outlined in Section 8.03 concerning the termination of the Class B Member status of Declarant or Builder or the surrender by Declarant of the authority to appoint and remove directors and officers by an express amendment to this Declaration executed and recorded by Declarant. Upon the expiration of the period of Declarant's right to appoint and remove directors and officers of the Association pursuant to the provisions of this Section, such right shall automatically pass to the Owners, including Declarant and Builder if they then own one or more Lots; and a special meeting of the Association shall be called for and held within ninety (90) days from the date of the expiration of Declarant's rights hereunder. At such special meeting the Owners shall elect a new Board of Directors which shall undertake the responsibilities of running the Association and Declarant shall deliver the books, accounts, and records, if any, which they have kept on behalf of the Association as well as any agreements or contracts executed by or on behalf of the Association which may still be in effect or operation. Each Owner by acceptance of a deed to or other conveyance of a Lot vests in Declarant such authority to appoint and remove directors and officers of the Association as provided in this Section.

ARTICLE 9

COVENANTS FOR ASSESSMENTS

9.01. Covenant to Pay Assessments: Lien. Declarant, for each Lot owned by Declarant, hereby covenants to pay, and every Owner of any Lot (including Builder) by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay, to the Association such regular annual assessments or charges and such special assessments or charges as may be levied by the Association pursuant to the provisions of this Declaration. No assessment shall be due except with respect to Lots shown on a recorded subdivision plat. The amount of any such annual or special assessment plus any other charges thereon, such as interest, late charges and costs (including attorneys' fees), as such may be provided in this Declaration, shall be and become a lien upon the Lot assessed when the Association causes to be recorded in the official records of the County a notice of assessment, which notice shall state:

- (A) The amount of such assessment and such other charges thereon as may be authorized by this Declaration;
- (B) A description of the Lot against which the same has been assessed; and
- (C) The name of the record owner of the Lot assessed.

Such notice shall be signed by an authorized representative of the Association. Upon payment of such assessment and charges in connection with which such notice has been so recorded, or other satisfaction thereof, the Association, at the Owner's cost and expense, shall cause to be recorded a further notice stating the satisfaction and the release of the lien thereof. The lien provided for herein shall be prior to all other liens recorded subsequent to the recording of such notice of assessment. The lien may be enforced by foreclosure in accordance with North

Carolina law, or in any other manner permitted by law. The Association shall have power to purchase the Lot at a foreclosure sale and to hold, lease, mortgage and convey the same.

9.02. Personal Obligation. Each regular annual or special assessment, together with any late charges, interest, collection costs and reasonable attorneys' fees, shall be the personal obligation of each person or entity, other than any Mortgagee, who held an ownership interest in the Lot at the time such assessment was levied. If more than one person or entity held an ownership interest in the Lot at such time, the personal obligation to pay such assessment or installment respecting such Lot shall be both joint and several. No Owner may exempt himself from payment of assessments, or installments, by waiver of the use or non-use of common facilities within the area or of any other portion of the Common Area or by abandonment or leasing of his Lot.

9.03. Use of Assessments. Regular annual or special assessments paid by Declarant and other Owners shall be used to pay for operation, maintenance, preservation, enhancement, repair and improvement of the Common Area, other purposes reasonably related to the foregoing, and to promote the recreation, health, safety and welfare of the Owners. In addition, such assessments shall be used to pay the cost of administration of the affairs of the Association, including payment of applicable taxes, and for the preservation of the Association's existence, to the extent properly allocable to the performance and exercise of the Association's duties and powers under this Declaration. The foregoing is intended as an authorization to the Association and shall not be construed to require expenditure of Association funds for any particular purpose.

9.04. Reserve Funds. The Board shall establish and maintain reserves in accordance with standard accounting practices and procedures for Common Area replacements and maintenance and the initial budget of the Association. Each budget subsequently adopted by the Board shall provide for funds to be placed in reserves in at least the amount of reserves established in the initial budget unless a lower level of reserves is approved by the vote or written consent of a majority of the Voting Power of (i) if a two-class voting structure is in effect, by the vote or written consent of a majority of the Voting Power of each class of Members, or (ii) if a two-class voting structure is not in effect, by the vote or written consent of a majority of the total Voting Power of the Association. Funds deposited in reserve for a particular purpose shall be held for that purpose and shall not be expended for any other purpose without (i) if a two-class voting structure is in effect, the vote or written consent of a majority of the Voting Power of each class of Members, or (ii) if a two-class voting structure is not in effect, the vote or written consent of a majority of the total Voting Power of the Association, except that if the Board determines that funds held in reserve for a particular purpose exceed an amount reasonably required as a prudent reserve for that purpose, then, without the vote or written consent of Members, the excess may be allocated to any other reserve fund established by the initial budget of the Association and expended for the purpose for which such other reserve fund has been established.

9.05. Regular Assessments.

Beginning January 1, 1998, the regular annual assessment for each Lot for the remainder of the first assessment year shall be a maximum of \$200 per Lot owned by an Owner (not including Declarant or Builder) and \$100 per Lot owned by Declarant or Builder. If the first

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assessment year shall have fewer than twelve (12) months, the foregoing amounts shall be proportionately reduced.

The Board shall fix the amount and due date of the regular annual assessment on a yearly basis at least fifteen (15) days in advance of each assessment year, provided, however, that the ratio of the assessment established for Lots owned by Owners (not including Declarant or Builder) to the assessment established for Lots owned by Declarant or Builder shall always be two (2) to one (1), prorated for partial years due to ownership changes during the year, and further provided that the Board may not impose a regular annual assessment which is more than ten percent (10%) greater than the regular assessment for the immediately preceding fiscal year without (i) if a two-class voting structure is in effect, the vote or written consent of a majority of the Voting Power of each class of Members of the Association or (ii) if a two-class voting structure is not in effect, the vote or written consent of a majority of the Association. Written notice of the regular annual assessment shall be sent to every Owner who is not present at the time the regular annual assessment is so fixed. If the Board fails to so fix the regular annual assessment, the assessment applicable for the previous assessment year shall remain in effect until the Board shall fix a new regular annual assessment. Regular annual assessments shall be payable annually on the first day of each January or at such other time as the Board may fix. The Association shall, upon demand, and for a reasonable charge, furnish to any person having a legitimate interest a certificate signed by an officer of the Association stating whether the regular annual assessment and special assessments, if any, on a specified Lot have been paid and, if not, the amount due.

9.06. Special Assessments. In addition to the regular annual assessments authorized herein, the Board may levy, in any assessment year, a special assessment against all Owners applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of capital improvements and related fixtures and personal property on or comprising a part of the Common Area; provided, however, any such assessment shall be in the ratio of two (2) to one (1) for Lots owned by Owners (not including Declarant or Builder) and Declarant or Builder, respectively, as provided in Section 9.05 above, and further provided in any fiscal year, special assessments which exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year may not be levied without (i) if a two-class voting structure is in effect, the vote or written consent of a majority of the Voting Power of each class of Members of the Association or (ii) if a two-class voting structure is not in effect, the vote or written consent of a majority of the total Voting Power of the Association.

9.07. Assessment as Remedy. After Notice and Opportunity for Hearing, the Board, without the vote or written consent of Members, may levy a special assessment against an Owner as a remedy to reimburse the Association for costs (including attorneys' fees) incurred in bringing the Owner, his Lot or his residence into compliance with the provisions of this Declaration, the Bylaws or the Rules and Regulations.

9.08. Allocation of Assessments. Except as otherwise provided in this Declaration and except for the reduced assessments on Lots owned by Declarant or Builder all regular and special assessments shall be levied equally against all Owners.

9.09. Commencement of Assessments. The regular annual assessments provided for herein shall commence as to all Lots at the discretion of the Board, but not later than January 1, 1998. The first assessment year shall be the period commencing on the date regular annual assessments commence and ending on the December 31 next following. The regular annual assessment for the first assessment year shall be prorated from the amounts fixed by the Board for a full twelve-month year, based on the number of months to be contained in the first assessment year. Subsequent assessment years shall be each successive calendar year, provided, however, that at any time the Board may change the assessment year to correspond to a fiscal year selected by the Board. Assessments of Lots within each Phase of the Project which is annexed in accordance with the provisions of Article 16 below shall commence on the first day of the month next following the conveyance of the first Lot with a dwelling to a purchaser, other than a successor Declarant, for use as a residence.

9.10. Revised Assessments. Subject to the provisions of Section 9.05, if at any time during the course of any year the Board shall deem the amount of the regular annual assessment to be inadequate or over adequate by reason of a revision of its estimate of either expenses or income or otherwise, the Board shall have the right, at a regular or special meeting, to revise the regular annual assessment for the balance of the assessment year. Any such revised assessment shall become effective on the first day of the month next following the date of adoption, and additional amounts payable shall be due (or refunds of overages shall be made by the Association) at such time as determined by the Board.

9.11. Delinquent Assessments; Fines. Any assessment not paid within fifteen (15) days after the due date shall be delinquent. The Board may require that any delinquent assessment bear a late charge to cover administrative expenses incurred as a result of the late payment of the assessment. Late charges on delinquent assessments and fines levied as provided in Section 4.09 shall not exceed the following rates computed on the outstanding balance, which shall include any late charges previously assessed and unpaid, from month to month:

- (A) On so much of the outstanding balance as does not exceed one thousand dollars (\$1,000), one and one-half percent (1.50%).
- (B) If the outstanding balance is more than one thousand dollars (\$1,000), one percent (1%) on the excess over one thousand dollars (\$1,000) of the outstanding balance.
- (C) If the late charge so computed is less than ten dollars (\$10) for any month, ten dollars (\$10).

No charge may be imposed more than once for the delinquency of the same payment, provided, however, that the imposition of a late charge on any delinquent payment shall not eliminate or supersede charges imposed on prior delinquent payments. When an assessment is paid more than fifteen (15) days after the due date of the assessment, late charges shall accrue from the first day following the due date of the assessment. All late charges shall be non-cumulative. The Association may bring legal action against the Owner personally obligated to pay a delinquent assessment or fine and, after Notice and Opportunity for Hearing, the Association may suspend a delinquent Owner's membership rights in the Association while the

assessment or fine remains unpaid. In any legal action to enforce payment of an assessment or fine, the Association shall be entitled to recover interest, costs and reasonable attorneys' fees.

ARTICLE 10

INSURANCE

10.01. Duty to Maintain Insurance.

(A) The Association shall have the duty and the authority to maintain fire and extended coverage casualty insurance on the Common Area in an amount not less than the full insurable value thereof (based upon current replacement cost), and liability insurance with limits in and amounts adequate, under standards in the insurance industry existing from time to time, to protect the Association and the Owners in the event of property damage, personal injury or death occurring in or about the Project. The Board shall have the authority to settle or enforce on behalf of the Association and on behalf of the Owners, by legal action or otherwise, any claim arising under any insurance carried by the Association.

(B) Each Owner shall maintain casualty and personal liability insurance pertaining to his Lot, in such form and in such amounts as the Rules and Regulations may require.

(C) All policies of insurance carried by the Association or the Owners shall include a waiver of subrogation if such waiver can be obtained, unless otherwise provided in the Rules and Regulations.

(D) Notwithstanding any other provisions contained herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance meeting the insurance requirements for planned unit development projects established by the Federal National Mortgage Association and Government National Mortgage Association, so long as either is a Mortgagee or Owner of a Lot within the Project, except to the extent such coverage is not available or has been waived in writing by the Federal National Mortgage Association or Government National Mortgage Association.

10.02. Proceeds of Insurance. The proceeds of casualty insurance carried by the Association shall be paid to and held by the Association as trustee for the Owners, Declarant and Mortgagees for disbursement in accordance with the provisions of this Declaration.

Except as otherwise provided herein, casualty insurance proceeds shall be used for repair, replacement or reconstruction to the extent required to effectuate repair, replacement or reconstruction.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.01. Damage to Lots. Restoration and repair of damage to any Lot and improvements thereon shall be made by and at the expense of the Owner thereof.

11.02. Repair. Restoration. Reconstruction. If damage occurs, the Association shall promptly contract for the repair, restoration or reconstruction of the Common Area or improvements which have been damaged or destroyed and apply any proceeds of insurance as received toward cost of such repair, restoration or reconstruction. The difference, if any, between the insurance proceeds payable by reason of such damage and the cost of such repair, restoration and reconstruction may be recovered by one or more special assessments levied by the Board equally against all Owners.

ARTICLE 12

EMINENT DOMAIN

12.01. Eminent Domain. If all or any portion of the Common Area is taken by action in eminent domain (hereinafter called a "taking"), the Association shall give written notice of the proceedings to all Owners and Mortgagees, and the condemnation award shall be fairly and equitably apportioned among the Owners, Mortgagees and the Association as the court may determine. A condemnation award which is not apportioned among the Owners by court judgment or by agreement between the condemning authority and each affected Owner shall be allocated first to the repair, restoration and reconstruction of any remaining portion of the Common Area and then any excess shall be distributed equally among the affected Owners (or any Mortgagee of an Owner to the extent such Mortgagee is entitled to such Owner's share of the proceeds). If requested by the court, an Insurance Trustee shall be employed to make disbursement of the award.

12.02. Repair. Restoration. Reconstruction. If only a portion of a Common Area facility is taken, the Board shall promptly contract for the repair, restoration or reconstruction of the Common Area facility to a complete architectural unit, to the extent such repair, restoration and reconstruction is reasonably necessary and practical. If the total cost of repair, restoration and reconstruction of the Common Area exceeds the amount awarded by the court for such purposes, the difference may be recovered by a special assessment levied equally against all Owners.

ARTICLE 13

[Article 13 Intentionally Deleted]

ARTICLE 14

ARCHITECTURAL CONTROL

14.01. Architectural Control. NO BUILDING, POOL, FENCE, WALL, SOLAR PANEL, ANTENNA, DECK, PATIO, EXERCISE/PLAY EQUIPMENT OR OTHER STRUCTURE OR IMPROVEMENT OF ANY NATURE ON ANY LOT SHALL BE ERECTED, CONSTRUCTED, DEMOLISHED, OR ALTERED UNTIL AN APPLICATION, INCLUDING PLANS AND SPECIFICATIONS SHOWING THE NATURE, KIND, SHAPE, HEIGHT, MATERIAL, COLOR, AND LOCATION OF THE SAME, SHALL HAVE BEEN SUBMITTED TO AND APPROVED IN WRITING BY THE BOARD OR AN ARCHITECTURAL CONTROL COMMITTEE which has been empowered by the Board to approve such applications and comprised of not less than three (3) and not more than five (5) persons who have been appointed by the Board; provided, however, that no such approval shall be required for alterations to the interior of any residential structure. The Board may require a reasonable fee to accompany each application for approval. If the Board or such Architectural Control Committee, having not theretofore approved or disapproved an application, fails to approve or disapprove an application within thirty (30) days following receipt of written notice of failure to act, which written notice is given at least thirty (30) days following receipt of the initial application, the application shall be deemed approved. The restrictions herein contained shall have no application to the development, improvement, maintenance and repair of the Property by Declarant, Builder or by the Association, and neither the Board nor the Architectural Control Committee shall have any power or authority to review or require modifications in plans and specifications for construction or installation of improvements by Declarant or Builder.

14.02. Reconstruction of Residences. In the event of damage or destruction to a residence by fire or other casualty, the Owner shall within four (4) months diligently commence to reconstruct such residence as soon as reasonably possible and substantially in accordance with the original plans and specifications thereof; provided, however, that such residence shall be restored so that the exterior appearances thereof substantially resemble their appearances in form and in color prior to such damage or destruction. Notwithstanding the foregoing, however, any Owner of a damaged residence may request permission from the Board or duly authorized architectural control committee to reconstruct or repair his residence in accordance with revisions in the plans and specifications. The Board or said committee shall grant such requests only in the event that the proposed change or deviation will materially benefit and enhance the entire Project in a manner generally consistent with the plan and development thereof.

ARTICLE 15

MORTGAGEE PROTECTION

15.01. Interpretation. In the event any provision of this Article 15 is inconsistent with or contrary to any other provision of this Declaration, the provisions of this Article 15 shall control.

15.02. Notices. Any Mortgagee of any Lot, by written notice to the Association setting forth the Lot encumbered, the Owner thereof and the address to which notices may be sent, may

request and thereby be entitled to receive written notice from the Association of (i) any default which is outstanding for sixty (60) days or longer by the Owner of such Lot in the performance of his obligations under or in compliance with the provisions of this Declaration, the Bylaws or the Rules and Regulations, (ii) any substantial damage to or destruction of the Common Area, including the improvements located thereon, or, if known to the Association, any substantial damage to or destruction of a Lot, including the improvements located thereon, and (iii) any proposed or threatened taking by power of eminent domain of the Common Area or any portion thereof or of any Lot or portion thereof.

15.03. Mortgagee's Right to Information. Upon written request to the Association, a Mortgagee is entitled to: (1) inspect the books and records of the Association during normal business hours; and (2) receive an annual financial statement of the Association within ninety (90) days following the end of any fiscal year of the Project; and (3) receive written notice of all meetings of the Association and to designate a representative to attend all such meetings.

15.04. Damage and Destruction Rights. In the event of substantial damage to or destruction of any Lot or improvements to a Lot or any part of the Common Area, no provision of any document establishing the Project shall entitle the Owner of a Lot or other party to priority over such Mortgagee with respect to the distribution to such Owner of any insurance proceeds.

15.05. Condemnation Rights. If any Lot or portion thereof or the Common Area or any portion thereof is made the subject matter of any condemnation proceedings or is otherwise sought to be acquired by a condemning authority, no provision of any document establishing the Project shall entitle the Owner of a Lot or other party to priority over such Mortgagee with respect to the distribution to such Owner of the proceeds of any award or settlement.

15.06. Right of First Refusal. Any right given by an Owner of a Lot to any third person to purchase such Lot before it is offered for sale or sold to any other person (such right commonly known as a "right of first refusal") shall not be binding upon or enforceable against any Mortgagee acquiring such Lot pursuant to exercise of remedies provided for in the Mortgage, including foreclosure by judicial action or exercise of a power of sale, or by acceptance of a deed or assignment in lieu of foreclosure.

15.07. Subordination. No provisions contained in this Declaration shall defeat or render invalid the lien of any Mortgage which is made in good faith and for value. The lien of the assessments provided for herein shall be subordinate to the lien of any Mortgage recorded prior to the date any such assessment becomes due. This subordination shall apply only to assessments on a Lot which have become due and payable prior to a sale or transfer of such Lot pursuant to a decree of foreclosure or exercise of power of sale. Any Mortgagee who acquires title to or comes into possession of a Lot pursuant to exercise of remedies provided for in the Mortgage, including foreclosure by judicial action or exercise of a power of sale, and any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid assessments or charges against the Lot which have accrued prior to the time such Mortgagee or purchaser acquires title to or comes into possession of the Lot; provided, however, this exception shall not be applicable to any claim for assessments or charges levied by the Association against all Lots for the purpose of recovering any revenue lost by reason of the nonpayment of past due

assessments upon such Lot; and provided further, that except as otherwise provided in this section, all of the limitations, restrictions, covenants, conditions, easements, liens, charges, assessments, and equitable servitudes contained herein shall be binding upon any Owner whose title is derived through foreclosure sale, trustee's sale or otherwise. Except as provided above, the sale, transfer or conveyance of title to a Lot shall not relieve a selling Owner from personal liability for any assessments which became due and payable prior to such sale, transfer or conveyance, nor relieve such Lot from a duly recorded lien for any such prior unpaid assessment.

15.08. Payments by Mortgagees. Any Mortgagee, after at least ten (10) days' prior written notification to the Association of the items to be paid and the failure of the Association within such time to make payment, may pay, alone or in conjunction with other Mortgagees, delinquent taxes, liens or assessments which may be or become a charge against the Common Area, or any portion thereof, and any overdue premiums on policies of fire and extended coverage insurance for the Common Area and in the event of a lapse of such a policy of insurance, may pay premiums to secure a new policy. In the event such payments are made, the Mortgagee making such payment shall be entitled to immediate reimbursement from the Association to the extent of the payment made.

15.09. Professional Management. In the event that Declarant or the Association enters into any contract with any person or entity to provide management or maintenance services to the Project, such contract shall not exceed one (1) year and shall provide that the Association shall have the right to terminate the contract for cause or without cause upon thirty (30) days' written notice, without payment of a termination fee.

ARTICLE 16

ANNEXATION

16.01. Right to Annex. Declarant shall have the right to annex to Phase I and thereby bring within the scheme of this Declaration and subject to the jurisdiction of the Association part or all of the Additional Land provided that such property is developed for single family detached residential purposes or single-family residential townhomes with decded lots and provided further, the total number of Lots developed on Phase I and the Additional Land does not exceed 1,500. Declarant is under no obligation to annex the Additional Land and may elect to develop the Additional Land for single family or multifamily purposes, including apartments, not as a part of the Project. Annexation of any other real property shall require (i) if a two-class voting structure is in effect, sixty-seven percent (67%) of the Voting Power of each class of Members, and to the extent legally required, the prior written consent of the Department of Housing and Urban Development and the Veterans Administration or (ii) if a two-class voting structure is not in effect, the vote or written consent of not less than sixty-seven percent (67%) of the total voting power of the Association residing in Members other than Declarant. Annexation of additional property may be accomplished in Phases.

16.02. Procedure for Annexation. Any annexation shall be made by recordation in the office of the Register of Deeds for the county wherein the property is located of a Supplemental Declaration covering the real property to be annexed. The Supplemental Declaration shall

describe the real property to be annexed and state that annexation is being made pursuant to this Declaration for the purpose of extending the jurisdiction of the Association to cover the Phase of the Project being annexed. The Supplemental Declaration may contain such complementary additions and modifications to the terms of this Declaration as may be necessary or desirable to reflect the different character, if any, of the Phase being annexed and as are not inconsistent with the general scheme of this Declaration. Annexation shall be effective upon recordation in the applicable public registry of the Supplemental Declaration and thereupon the real property described therein shall be subject to all of the provisions of this Declaration, to the extent made applicable by the Supplemental Declaration, and to the jurisdiction of the Association pursuant to the terms of this Declaration, the Articles and Bylaws.

16.03. Annexed Property. Each Owner of a Lot in an annexed Phase automatically shall be a Member of the Association and such Owners and annexed real property shall be subject to assessment by the Association for the benefit of the Project or any part thereof. Assessments of Lots in an annexed Phase shall commence upon the last to occur of: (a) commencement of regular annual assessments for the Project, and (b) the first day of the month next following the first conveyance of a Lot in such Phase to a purchaser, as provided in Section 9.09. The Association shall have the duties, responsibilities and powers set forth in this Declaration, the Articles and Bylaws with respect to annexed real property. Except as may otherwise be expressly provided in this Declaration or any Supplemental Declaration, the Project shall be managed and governed by the Association as an entirety. Assessments collected from Owners in the Project may be expended by the Association anywhere in the Project without regard to the particular Phase, area or subdivision from which such assessments came. All Owners shall have ingress and egress to and from all the Common Area throughout the Project and any Phase thereof and shall have use and enjoyment of any recreational facilities and other amenities contained within the Common Area throughout the Project, provided that any such use shall be subject to the provisions of this Declaration, any Supplemental Declaration, the Bylaws and the Rules and Regulations.

ARTICLE 17

MISCELLANEOUS PROVISIONS

17.01. Power to Settle Claims. The Board shall have the power and authority to compromise, settle, release and otherwise adjust claims, demands, causes of action and liabilities in favor of the Association and the Owners, on behalf of the Association and Owners, as the case may be, provided any such claim, demand, cause of action or liability arises out of or relates to a condition or defect common to all or a majority of the Lots or improvements constructed thereon, or to the development, design, construction, condition, repair or maintenance of or damage or injury to or defect in the Common Area or part thereof, and the Association shall have the right and the power to make and receive all payments or other consideration necessary therefor or in connection therewith. For such purposes, the Board shall be, and hereby is, irrevocably appointed attorney in fact to act on behalf of all Owners upon such terms and conditions and for such consideration as may be approved by a majority of the Board.

17.02. Independence of Provisions. The provisions of this Declaration shall be deemed independent and severable. Invalidation or partial invalidation of any provision of this

Declaration by judgment or court order shall not affect any other provision of this Declaration, and the remaining provisions shall remain in full force and effect.

17.03. Notices. Notices shall be in writing and shall be addressed as follows: (i) if to an Owner, to the address of his Lot; (ii) if to Declarant, to Pace/Dowd Properties, Ltd., 6719-C Fairview Road, Charlotte, N.C. 28210; and (iii) if to the Association, to the address of the Project. The Association may designate a different address for notices by giving written notice of such change of address to all Owners and to Declarant. Declarant may designate a different address for notices by giving written notice of such change of address to the Association. Any Owner may designate a different address for notices by giving written notice of such change of address to the Association and to Declarant.

17.04. Headings. The headings used in this Declaration are for convenience and reference only and the words contained therein shall not be held to expand, modify, or aid in the interpretation, construction, or meaning of this Declaration.

17.05. Enforcement. The failure of any Owner to comply with the provisions of this Declaration, the Bylaws or the Articles shall entitle the Association, any Owner, or any of them, to maintain an action for the recovery of damages or injunctive relief or both, and such persons or entities, or any of them, shall have the right to enforce all limitations, restrictions, covenants, conditions, easements, liens, charges, assessments and equitable servitudes imposed by or pursuant to the provisions of this Declaration. Failure to enforce the provisions of this Declaration shall not be deemed a waiver of the right to do so thereafter. All remedies provided in this Declaration shall be cumulative and in addition to any other remedies available under law.

17.06. Equal Opportunity Housing. This Project provides equal opportunity housing. Each Lot sold shall be sold without regard to the race creed, color, national origin, ancestry, religion, marital status, age or sex of the purchaser.

17.07. Exhibits. Exhibit A which is attached to this Declaration, incorporated herein and made a part hereof by this reference.

17.08. Amendments. During any period in which a two-class voting structure is in effect, Declarant may amend this Declaration without the approval of any Member or Mortgagee provided the amendment does not materially alter or change any Owner's right to the use and enjoyment of such Owner's Lot or of the Common Area as set forth in this Declaration and the amendment does not adversely affect the title to any Lot; however, it does require the prior written consent of the Department of Housing and Urban Development and the Veterans Administration. In the event that such amendment would materially and adversely affect the security, title and interest of any Mortgagee, such amendment shall be valid only upon the written consent of sixty-seven percent (67%) of the Mortgagees (based on one vote for each mortgage owned) and the prior written consent of the Department of Housing and Urban Development and the Veterans Administration.

Should the Veterans' Administration, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective

requirements which necessitate the provisions of this Declaration or make such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Declaration to be recorded to reflect such changes.

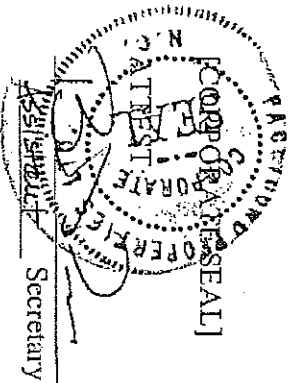
Any other amendments of this Declaration shall require (i) if a two-class voting structure is in effect, the vote or written consent of sixty-seven percent (67%) of the Voting Power of each class of Members of the Association as such classes are set forth in the Bylaws and this Declaration; or (ii) if a two-class voting structure is not in effect, the vote or written consent of sixty-seven percent (67%) of the Voting Power of the Association; provided, however, that the percentage of the Voting Power (of each class of Members, of the Association, and of Members other than Declarant) necessary to amend a specific provision of this Declaration shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that provision.

Notwithstanding anything to the contrary contained in this Declaration, any amendment which establishes, governs, provides for or regulates any one of the following: (i) voting; (ii) assessments, assessment liens or subordination of such liens; (iii) reserves for maintenance, repair and replacement of the Common Area; (iv) insurance and fidelity bonds; (v) right to use of the Common Area; (vi) responsibility for maintenance and repair of the Project; (vii) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project; (viii) the boundaries of any Lot; (ix) interests in the Common Area; (x) leasing of ownership interests; (xi) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his Lot; (xii) any provisions which are for the express benefit of Mortgagees; or (xiii) any other material amendment shall require (i) if a two-class voting structure is in effect, the vote or written consent of sixty-seven percent (67%) of the Voting Power of each class of Members, or (ii) if a two-class voting structure is not in effect, the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association, and the written consent of sixty-seven percent (67%) of the Mortgagees. Any Mortgagee who does not respond within thirty (30) days request by the Association for consent to an amendment of this Declaration shall be deemed to have approved such request.

Any instrument amending this Declaration must contain a certification by the Secretary of the Association that the amendment has been correctly adopted in accordance with the provisions of this Declaration and be recorded in the official records of the County. Any such amendment shall be effective upon the date of recordation.

IN WITNESS WHEREOF, Declarant has executed and sealed this Declaration as its act and deed this 20 day of August, 1998.

PACE/DOWD PROPERTIES, LTD.



By: [Signature] President

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 20 day of August, 1998, personally came before me, a Notary Public for said County and State, R. STEPHEN PACE, who, being by me duly sworn, says that he is President of PACE/DOWD PROPERTIES, LTD. and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation; that said instrument was signed and sealed by him in behalf of said corporation by its authority duly given. And said R. Stephen Pace acknowledged said instrument in writing to be the act and deed of said corporation.

WITNESS my hand and notarial seal.

[Signature]
Notary Public

My Commission Expires: 09/10/2001

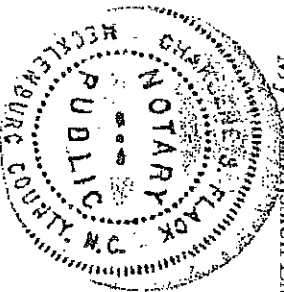


Exhibit A

BEING all of that certain 37.422 +/- acres tract of land located in Mallard Creek Township, Mecklenburg County, North Carolina and being more particularly described as follows:

BEGINNING at an axle found, located in the southeastern property line of the Grantors herein, said axle also marking the westernmost corner of the property of J.W. Davis (now or formerly) as same is described in deed recorded in Deed Book 1514 at Page 309, Mecklenburg County Public Registry and the northernmost corner of the property of Scott H. Davis (now or formerly) as same is described in deed recorded in Deed Book 5148 at Page 687, Mecklenburg County Public Registry, and from said point and place of Beginning running thence N 87-17-13 W 99.00 feet to a point; thence, S 01-31-50 W 18.65 feet to a point in Hucks Road (S.R. 2481), the northeastern corner of the property of Jack Nickel (now or formerly) as same is described in deed recorded in Deed Book 7984 at Page 232; thence, with the northern boundary line of said Nickel property, and the northern boundary line of the property of Virginia Canipe (now or formerly) as same is described in deed recorded in Deed Book 1877 at Page 344, N 88-41-06 W 400.97 feet to a point in the center line of Hucks Road; thence, leaving Hucks Road, and running thence N 00-16-20 E 260.60 feet (passing a one inch iron set at 30 feet) to a one-half inch iron set; thence, N 89-14-05 W 158.00 feet to a one-half inch iron found; thence, N 89-11-13 W 176.01 feet to a one-half inch iron found, a corner of the property of Thomas N. Shuey (now or formerly) as same is described in deed recorded in Deed Book 5985 at Page 298; thence, N 24-41-08 W 92.13 feet to a three-fourth inch iron found, the southeastern corner of the property of Aubrey C. Barbee and wife, Josie K. Barbee as same is described in deed recorded in Deed Book 3451 at Page 495; thence, with the eastern boundary line of the property of the said Aubrey C. Barbee property, N 36-04-46 E 2202.14 feet to a one-half inch iron found, said iron being located in the southern boundary line of the property of Alfred Allen Davis (now or formerly) as same is described in deeds recorded in Deed Book 392 at Page 506, Deed Book 383 at Page 513, and in Deed Book 209 at Page 684; thence, with the southern boundary line of the said Alfred Allen Davis property, S 65-18-27 E 410.57 feet to a one inch iron found, said iron being located in the western boundary line of the property of Mildred Young Clark (now or formerly) as same is described in deed recorded in Deed Book 4887 at Page 993; thence, with the western boundary line of the said Mildred Young Clark property, S 26-30-30 E 115.25 feet to a one-half inch iron found, the northwestern corner of the property of James U. Davis (now or formerly) as same is described in deed recorded in Deed Book 4108 at Page 180; thence, with the western boundary line of the said James U. Davis property, S 19-58-21 W 518.24 feet to a one inch iron found, the northernmost corner of the aforesaid property of J.W. Davis; thence, with the western boundary lines of the said J.W. Davis property, S 16-25-08 W 720.58 feet to an axle found; thence, S 34-57-45 W 818.72 feet to the axle marking the point and place of Beginning; LESS AND EXCEPT that certain 2.00 acres tract previously conveyed to Robert W. Barbee by Carol E. Barbee by deed recorded in Deed Book 6625 at Page 560, Mecklenburg County Public Registry, all of said 37.442 +/- acres tract being shown on that certain boundary survey entitled "W.T. Barbee Property" dated July 17, 1997, revised August 13, 1997, by Sam F. Williams, North Carolina Registered Land Surveyor, reference to which is hereby made.

And being a portion of the property conveyed to Winifred T. Barbee and wife, Ila A. Barbee, by deed recorded in Deed Book 3247 at Page 103, Mecklenburg County Public Registry..

Exhibit A

BEING all of that certain 36.369 +/- acres tract of land located in Mallard Creek Township, Mecklenburg County, North Carolina, and being more particularly described as follows:

To find the true point and place of BEGINNING, commences at that certain axle found, located in the southeastern boundary line of the property of Winifred T. Barbee and wife, Ila A. Barbee, as same is described in deed recorded in Deed Book 3247 at Page 103, Mecklenburg County Public Registry, said axle also marking the westernmost corner of the property of J.W. Davis (now or formerly) as same is described in deed recorded in Deed Book 1514 at Page 309, Mecklenburg County Public Registry, and the northernmost corner of the property of Scott H. Davis (now or formerly) as same is described in deed recorded in Deed Book 5148 at Page 687, Mecklenburg County Registry; and from said axle running thence N 87-17-13 W 99.00 feet to a point; thence, S 01-31-50 W 18.65 feet to a point in Hucks Road (S.R. 2481), the northeastern corner of the property of Jack Nickel (now or formerly) as same is described in deed recorded in Deed Book 7984 at Page 232; thence, with the northern boundary line of said Nickel property, and the northern boundary line of the property of Virginia Canipe (now or formerly) as same is described in deed recorded in Deed Book 1877 at Page 344, N 88-41-06 W 578.17 feet to a point in the center line of Hucks Road; thence, leaving Hucks Road, N 04-30-33 E 31.49 feet to a one-half inch iron found (said one-half inch iron being located N 71-40-10 E 94.94 feet from a nail set in the center line of Hucks Road); thence, N 04-30-33 E 227.96 feet to a one-half inch iron found; thence, N 89-11-13 W 176.01 feet to an one-half inch iron found, a corner of the property of Thomas N. Shuey (now or formerly) as same is described in deed recorded in Deed Book 5985 at Page 298; thence, with the eastern boundary line of the said Shuey property, N 24-41-08 W 92.13 feet to a three-fourth inch iron found, marking the southeastern corner of the property of the Grantors herein and the southwestern corner of the property of Winifred T. Barbee and wife, Ila A. Barbee, as same is described in deed recorded in Deed Book 3247 at Page 103, the TRUE POINT AND PLACE OF BEGINNING; and from said true point and place of beginning running thence with the western boundary line of the property of Winifred T. Barbee and wife, N 36-04-46 E 2202.14 feet to a one-half inch iron found, said iron being located in the southern boundary line of the property of Alfred Allen Davis (now or formerly) as same is described in deeds recorded in Deed Book 392 at Page 506, Deed Book 383 at page 513, and in Deed Book 209 at Page 684; thence, with the common boundary lines of the said Alfred Allen Davis property, N 65-17-17 W 108.85 feet to a one inch iron found; thence, N 77-05-39 W 395.61 feet to a one-half inch iron found; thence, S 72-40-44 W 544.47 feet to a one and one-fourth inch iron found; thence, N 73-09-27 W 49.38 feet to a three-fourth inch iron found; thence, S 30-36-53 W 475.14 feet to a stone found; thence, S 50-03-46 W 217.91 feet to a one-half inch iron found, the northern corner of the property of Earl Hood Davis (now or formerly) as same is described in deed recorded in Deed Book 1179 at Page 135; thence, with the eastern boundary line of the said Davis property and the eastern boundary line of the property of Allen Davis (now or formerly) as same is described in deed recorded in Deed Book 7137 at Page 639, S 17-02-57 W 1190.67 feet to a one-fourth inch iron found, the northwest corner of the property of Frank S. Barbee (now or formerly) as same is described in deed recorded in Deed Book 4288 at Page 551; thence, with the northern boundary line of the said Frank S. Barbee property, S 78-37-17 E 389.81 feet to a three-fourth inch iron found, the northwest corner of the aforesaid Shuey property; thence, with the northern boundary line of the said Shuey property, S 89-12-57 E 130.70 feet to the three-fourth inch iron marking the TRUE POINT AND PLACE OF BEGINNING, all as shown on that certain boundary survey entitled "W.T. Barbee Property" dated July 17, 1997, revised August 13, 1997, by Sam F. Williams, North Carolina Registered Land Surveyor, reference to which is hereby made.

TOGETHER WITH all of Grantor's interest in and to that certain 30 foot access easement for ingress, egress and regress, said easement being more particularly described in deeds from Grantors to Frank S. Barbee and wife, Sabrina Barbee, recorded in Deed Book 4263 at Page 383 and Deed Book 4288 at Page 551, said easement being reserved and excepted by the Grantors in the aforementioned deeds.

And being a portion of the property conveyed to Aubrey C. Barbee and wife, Josie K. Barbee by deed recorded in Deed Book 3451 at Page 495, Mecklenburg County Public Registry.

Exhibit A

Being all of that certain 2.00 +/- acres tract of land located Millard Creek Township, Mecklenburg County, North Carolina, and being more particularly described as follows:

To find the true point and place of BEGINNING, commence at that certain axle found, located in the southeastern boundary line of the property of Winfred T. Barbee and wife, Ila A. Barbee, as same is described in deed recorded in Deed Book 3247 at Page 103, Mecklenburg County Public Registry, said axle also marking the westernmost corner of the property of J. W. Davis (now or formerly) as same is described in deed recorded in Deed Book 1514 at Page 309, Mecklenburg County Public Registry, and the northernmost corner of the property of Scott H. Davis (now or formerly) as same is described in deed recorded in Deed Book 5148 at Page 687, Mecklenburg County Public Registry; and from said axle running thence N 87-17-13 W 99.00 feet to a point; thence, S 01-31-50 W 18.65 feet to a point in Hucks Road (S.R. 2481), the northeastern corner of the property of Jack Nickel (now or formerly) as same is described in deed recorded in Deed Book 7984 at Page 232; thence, with the northern boundary line of said Nickel property, and the northern boundary line of the property of Virginia Canipe (now or formerly) as same is described in deed recorded in Deed Book 1877 at Page 344, N 88-41-06 W 400.97 feet to a point in the center line of Hucks Road; thence, N 00-16-20 E 260.60 feet (passing a one-half inch iron set at 30 feet) to a one-half inch iron set; thence, N 43-31-14 E 193.35 feet to a one half inch iron found; the TRUE POINT AND PLACE OF BEGINNING, and from said TRUE POINT AND PLACE OF BEGINNING, running thence with the common boundary lines of the aforesaid Winfred T. Barbee property, N 02-19-07 W 199.94 feet to a one-half inch iron; thence, N 87-42-01 E 435.55 feet to a one-half inch iron; thence S 02-20-02 E 199.76 feet to a one-half inch iron; thence, S 87-40-37 W 435.60 feet to the one-half inch iron marking the true point and place of Beginning; TOGETHER WITH all of the Grantor's interest in and to that certain 25 foot easement for ingress, egress, and regress, said easement being more particularly described in that certain deed to Robert W. Barbee recorded in Deed Book 6635 at Page 560, Mecklenburg County Public Registry, all as shown on that certain boundary survey entitled "W. T. Barbee Property" dated July 17, 1997, revised August 13, 1997, by Sam F. Williams, North Carolina Registered Land Surveyor, reference to which is hereby made.

Being the identical property conveyed to Robert W. Barbee by deed recorded Deed Book 6625 at Page 560, Mecklenburg County Public Registry.

State of North Carolina, County of Mecklenburg

The foregoing certificate(s) of _____

Charles W. Black

Notary(ies) Public is/are certified to be correct. DATE:

AUG 25 1998

JUDITH A. GIBSON, REGISTER OF DEEDS BY: _____

Charles W. Black

Deputy Register of Deeds
RD98-598

Spring Park Community Association
Administrative Resolution #1 - Delinquency Policy

WHEREAS, Article VII of the By-Laws of the Spring Park Community Association grants power to the Board of Directors to conduct Association business, and Article IX of the Declaration grants the authority to levy assessments against owners. Because the Association's economic well-being relies on the timely payment of assessments and other allowable charges and because it is the Board's duty to use its best efforts to collect funds owed to the Association,

NOW, THEREFORE, BE IT RESOLVED THAT these collection procedures shall be followed:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, rules enforcement fees, repairs to the common area that are an owner's responsibility, legal fees and other costs associated with collection of funds on behalf of the Association.
2. PAYMENT SCHEDULE. The regular assessment is due on January 1st of each year. Fees not received within 30 days of the due date will be considered past due.
3. NSF & INTEREST CHARGES.

- An interest charge of 18% per annum shall be charged monthly on all delinquent balances in addition to late fees as set forth in the Declaration.
 - A \$29.00 NSF (Non-Sufficient Funds) charge will apply to any returned check.
4. ORDER OF CREDITING PAYMENTS. Payments received shall be first applied to assessments owed, then to late charges, interest, or collection expenses.
 5. PROCESS FOR DELINQUENCY NOTIFICATION. For all balances that are not received by the due date, the following notification process applies:

- FIRST NOTICE. First Notice of Past Due Charges including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by First Class Mail to an owner whose balance is past due.
- 2ND NOTICE 30 Day Demand for Payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent by First Class Mail to an owner whose balance is thirty (30) days past due. This Notice will recite intent to turn the matter over to an attorney for collection enforcement if balance is not paid within 30 days. Attorney actions include but not limited to filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.

If a delinquent account is referred to an attorney for collection, the owner shall be charged the Association's reasonable attorney fees and related costs in accordance with the Covenants Conditions and Restrictions. Once an account is sent to an attorney for collection, the entire unpaid annual and special assessments shall be accelerated and declared immediately due and payable.

Recorded in the Book of Minutes on 3/24, 2004

Signed: 3/24, 2004

Barbi Lindale Boyle
Board Member

Margaret Paternostro
Board Member

Jennifer Sue Kornberg

Deborah C. Edmonson
Board Member

[Signature]
Board Member

**Spring Park Community Association
Administrative Resolution #2 - Violation Policy**

WHEREAS, Article VIII of the Bylaws grants the general power to conduct the business and affairs of the Association to the Board of Directors. Additionally, Article 4, Section 09 of the Covenants Conditions and restrictions allows for remedies to cure violations of the Declaration and the Rules of the Community.

WHEREAS, there is a need to adopt specific guidelines concerning the violation remedy process.

NOW, THEREFORE, BE IT RESOLVED For the purpose of protecting the integrity, value and desirability of the lots, lot owner and any and all parties having the right, title or interest in such lots in the Spring Park Community:

Any party having any right, title or interest in Spring Park Community Association (hereafter "homeowner") is required by the laws of the State of North Carolina to abide by the Declaration of Covenants, Conditions and Restrictions for Spring Park registered in the State of North Carolina, County of Mecklenburg. If at any time any of the aforesaid parties is in violation of the Declaration of Covenants, Conditions and Restrictions for Spring Park the following procedures will go into effect:

STEP 1 - The homeowner in violation will receive written notice of the violation with a specified period of time to comply. If the homeowner is unable to cure the violation within the specified time period, he/she is required to respond in writing within that specified time period to the management company to either work out a resolution or request a hearing. If the Management Company has not received a response from the homeowner or has not been able to come to a resolution within the specified period of time, Step 2 will go into effect.

STEP 2 - The Board of Directors will appoint an adjudicatory panel who will set a hearing. The adjudicatory panel will determine if the lot owner is in violation of the Restrictive Covenants. If the Board of Directors fails to appoint an adjudicatory panel, hearings will be held before the Board of Directors. The lot owner changes shall be given written notice of the charge and the hearing date and time with said notice being mailed at least 10 days prior to the hearing. At the hearing, the homeowner will be given the opportunity to be heard and present evidence. If it is found that the lot owner is in violation of the Restrictive Covenants, then the adjudicatory panel will determine if the lot owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the association in G.S. 47F-3-102(1) and (12). Written notice of the final decision of the panel will be mailed to the homeowner. A grace period of 10 days from the mailing of this letter will be given before the actual imposition of the fine and or suspension to give the homeowner the opportunity to cure the violation. The fine may not exceed \$150.00 per day. If it is decided a suspension from planned community privileges or services should be imposed, it may take place without further hearing until the violation or delinquency is cured. Such fines shall be assessments secured by the liens under G.S. 47F-3-116.

STEP 3 - If the homeowner is still in violation after Steps 1 and 2 and no resolutions have been made between the homeowner, Management Company and the Board of Directors of the Homeowners Association, the case will be turned over to the attorney to resolve or begin lien, foreclosure proceedings and possible further legal action. While Step 3 takes place the homeowner will continue to be charged the daily fines imposed from STEP 2.

Recorded in the Book of Minutes on _____, 2004

Signed: _____, 2004

Bradi Woodell
Board Member

Michael Palumbo
Board Member

Robert C. Edelman
Board Member

Alfred
Board Member

Debbie Sue Mann-Jung
Board Member

Board Member

**Spring Park Community Association
Policy Resolution #3 - Trash Cans and Refuse**

WHEREAS, Article VIII, of the Bylaws grants the general power to conduct the business and affairs of the Association to the Board of Directors.

WHEREAS, there is a need to clarify the intended purpose of Article 7.09 of the Covenants conditions and restrictions concerning the location of trash cans and refuse.

NOW, THEREFORE, BE IT RESOLVED For the purpose of protecting the integrity, value and desirability of the lots, lot owner and any and all parties having the right, title or interest in such lots in the Spring Park Community, the Board of Directors establishes a policy as follows:

1. Garbage and refuse shall be placed in appropriate containers and shall be capped or contained
 2. All refuse containers shall be concealed within building or enclosed to an extent that they are not visible from any point on the street than your home fronts.
 3. Rollour containers shall not remain at the street beyond pick-up day.
 4. Bulk debris may be placed at the curb for pick-up for a period not exceeding 24 hours.
 5. Yard waste shall not be dumped or stored on any properties in the community. All construction debris shall be collected on a daily basis and placed in appropriate containers or hauled off.
- Hazardous, toxic and similar materials must be secured at all times.

Trash cans and refuse on the property that are not within the above guidelines are considered in violation of the CCR's and subject to the enforcement procedures outlined in the Association's violation policy.

Recorded in the Book of Minutes on 3/24, 2004

Signed: 3/24, 2004

Marki Lissabell Cook
Board Member

Sharon A. Coleman
Board Member

Marquet Patterson
Board Member

Ed & Pam
Board Member

Deborah Sue Kanning
Board Member

Board Member

SPRING PARK COMMUNITY ASSOCIATION, INC.

POLICY RESOLUTION NO. 1.

ANTENNA PLACEMENT PROCEDURES AND GUIDELINES

relating to the regulation and placement of permitted antennas within Spring Park ("Community").

RECITALS:

R-1. Section 4.08 of the Declaration of Covenants, Conditions and Restrictions for Spring Park gives the Board of Directors ("Board") "the right to write, amend, supplement, adopt, publish and enforce Rules and Regulations governing the project, the use and enjoyment of the Common Area, the Recreational Common Area and any facilities thereon, and the personal conduct thereon of the Owners, their guests, invitees, members of their families or households and tenants."

R-2. Section 207 of the Telecommunications Act of 1996 has made unenforceable certain restrictions on installation of certain antennas.

R-3. For the benefit and protection of Spring Park Community Association, Inc. ("Association"), the owners and residents, the Board deems it necessary to establish guidelines

Rec'd 12/03

and procedures for regulation of and the installation, use and maintenance of permitted antennas within the community.

NOW, THEREFORE, BE IT RESOLVED THAT, the following Antenna Placement Procedures and Guidelines be adopted:

I. GENERAL

Except for Covered Antennas (as defined herein), which are subject to the Federal Communications Commission Over-the-Air Reception Devices Rule, no antenna used to transmit or receive video, radio or short-wave broadcast signals of any kind may be placed, installed or operated by any individual within the community without prior application to and written approval of the Board or the Architectural Control Committee ("Committee"), as appropriate.

II. EXCEPTION FOR ANTENNAS" INSTALLED WITHIN A BUILDING AND NOT VISIBLE FROM OUTSIDE THE BUILDING.

An antenna of any type may be installed totally within an individually owned building so long as the antenna is not visible from outside the building and the installation complies with all applicable health, safety, building code and licensing requirements.

III. EXCEPTION FOR COVERED ANTENNAS PLACED ON
INDIVIDUALLY OWNED, EXCLUSIVE USE PROPERTY

A. In accordance with Federal law (Section 207 of the Telecommunications Act of 1996 and 47 C.F.R. § 1.4000 of the Rules of the Federal Communications Commission) , the placement of: (i) a direct broadcast satellite ("DBS") antenna that is one meter or less in diameter, (ii) a multipoint distribution service ("MDS") antenna that is one meter or less in diameter or diagonal measurement, (iii) a television broadcast signal ("TVBS") antenna, and (iv) an antenna mast measuring not more than 12 feet in height above the roof line (collectively, the "Covered Antennas") on (a) individually-owned property or (b) property in which the owner (or tenant) has a direct or indirect ownership (or leasehold) interest and which is within the exclusive use or control of such owner or tenant is permitted subject to prior notification of installation and subject to the restrictions and guidelines set forth in Section IV of this Resolution.

B. Before installing a Covered Antenna, owners and tenants must notify the Committee in writing of their intent to install a Covered Antenna and provide relevant information about the Covered Antenna by completing the Antenna Placement Notification

Form attached as Exhibit A. Prior approval is not required to install a Covered Antenna.

IV. GUIDELINES FOR THE INSTALLATION, USE AND MAINTENANCE OF COVERED ANTENNAS

A. Location.

1. If there is more than one location where an acceptable quality signal can be received, the Covered Antenna must be placed in the location that is least visible to persons not on the owner's property. Preferred locations in order of preference are: (1) rear yards, (2) rear patios, decks or balconies, (3) rear roof, (4) side yard adjacent to gas meters or mechanical equipment, or (5) front yard; in all cases preferably fully screened by shrubbery. Preferred roof locations are adjacent to a chimney or on the rear roof just above the gutter line or just below the ridge line of the roof. Preferred patio locations are adjacent to an exterior wall or fence. The preferred location on a deck or balcony is within the interior space of the deck or balcony below the height of the railing.

2. If the only location where an acceptable quality signal can be received is a highly visible location, then the Covered Antenna must be appropriately camouflaged or screened, to the extent signal quality is not diminished so extensively that

reception is unreasonably impaired, by paint or other means which do not unreasonably delay or increase the cost of the installation. The Board or the Committee may require disguising the Covered Antenna (e.g., as a rock or umbrella), camouflaging the Covered Antenna by painting or reducing visibility by screening. The Board or the Committee has the right but not the obligation to pay the cost of reasonable additional screening of any visible Covered Antenna, to the extent such screening does not unreasonably impair signal quality or unreasonably delay installation.

B. Installation.

1. The installation of any Covered Antenna must comply at all times with all applicable building codes and industry safety standards (e.g., not within two feet of electric power lines). The Covered Antenna must be affixed to its location in a safe and secure manner. Acceptable installation techniques for common Covered Antennas are as shown on the Installation Details furnished by the antenna manufacturer, unless a different Installation Detail is attached as an exhibit to this Resolution.

2. Any damage caused by the installation of the Covered Antenna shall be repaired at the sole expense of the owner immediately following the installation.

3. Cabling and grounding wire shall be installed in the least visible manner possible. When a Covered Antenna is located on the ground, cabling and wire shall be installed underground whenever possible unless doing so would be unreasonably costly (See Section VII).

4. If it is possible (without unreasonable delay, expense or signal impairment) to install the cable without penetrating an exterior surface (roof, window or wall) by using "ribbon cable" or a through-the-glass device, then the installation may not penetrate (make a hole through) such building components except in single family detached homes.

5. If a contractor is installing the Covered Antenna, the contractor shall (i) be appropriately licensed as required by law, (ii) employ personnel trained in the proper installation of such equipment and (iii) upon request, furnish evidence of all required insurance coverages.

C. Maintenance.

1. Maintenance of Covered Antennas shall be the responsibility of the owner. The Covered Antenna (and associated camouflaging and screening) shall be maintained in a manner that its appearance and condition remains consistent with the original appearance and condition of the Covered Antenna. Any damage, dislodgement, or wear and tear of the Covered Antenna that is visible by persons not on the owner's property shall be repaired by the owner as soon as practicable.

2. If an owner fails to maintain a Covered Antenna properly, the Committee shall notify the owner, in writing, that the Covered Antenna requires maintenance or repair and that such maintenance or repair must be completed within thirty days after such notification (or such lesser period as may be established by the Committee for safety reasons or other good cause shown). If any required repair or maintenance is not performed by the owner within the time period allowed, the Association may complete such maintenance and repair and assess the reasonable cost of such work to the owner.

3. If a Covered Antenna must be removed to allow the Association to perform necessary maintenance or repair, the owner

shall be responsible for the removal of such Covered Antenna within seven days (or such shorter period as may be reasonably necessary under the circumstances) after notice of such maintenance or repair. If the owner fails to remove the Covered Antenna prior to the commencement of necessary maintenance or repairs, then the Association shall remove such Covered Antenna and assess the reasonable cost of such removal to the owner. If the owner pays the cost, the Association shall reinstall the Covered Antenna when the maintenance or repair has been completed. The Association shall not be liable for damage to the Covered Antenna during such removal or reinstallation except due to the Association's gross negligence or willful misconduct.

4. If the installation of or access to the Covered Antenna requires passage over restricted access common property in a manner that may be hazardous to the owner or tenant or may damage the restricted access common property, then the Association may, at its option, perform required maintenance at the reasonable expense of the owner or tenant.

D. Guidelines for TVBS Antenna Placement.

If the signal received by an indoor or attic TVBS antenna is sufficient to receive acceptable quality signal for local off-

the-air programming, installation of an outdoor antenna is prohibited. If an exterior installation is necessary, the use of the least obtrusive antenna possible, which will receive acceptable quality signal (such as the 12-inch or 18-inch circular dish antenna) is required unless doing so would be unreasonably costly (See Section VII). Any installation of an outdoor TVBS antenna shall conform to all guidelines set forth in Section IV of this Resolution.

V. SAFETY RESTRICTIONS FOR MAST-MOUNTED ANTENNAS

No antenna may be mounted on a mast measuring more than twelve feet in height above the roof line or one and one-half times the distance to the property line without prior application to and the written consent of the Committee. The Committee shall approve the proposed installation once it has determined that all applicable building codes, industry safety standards and local permitting requirements have been followed and complied with, and that no other installation could receive an acceptable quality signal without a mast of that height. All antenna masts shall be the minimum height necessary to receive an acceptable quality signal.

VI. DETERMINATION OF SUFFICIENCY OF RECEPTION

To the extent required, the Committee shall employ a knowledgeable, independent consultant to determine the acceptability of broadcast signals received in various locations on any owner's property and recommend a placement that:

(1) ensures an acceptable quality signal (if such reception is possible on such owner's property), (2) maximizes the safety of the installation and (3) minimizes the visibility of the antenna.

VII. COST

If the individual installing a Covered Antenna believes that compliance with these requirements cannot be accomplished at a reasonable cost, such individual may advise the Association of that fact and the Association may, at its option, share the cost of compliance.

VIII. RELOCATION AND REMOVAL

A. If a Covered Antenna has been installed prior to the date of general distribution of this resolution, the Association may require the owner or tenant served by that antenna to relocate the antenna in compliance with the provisions of this resolution; provided, however, that signal quality is not materially diminished, the relocation is scheduled at the

reasonable convenience of the owner or tenant and service is not disrupted for more than twenty-four hours.

B. If a Covered Antenna is installed prior to the Association providing the same service through a common antenna system, the Association may require its removal; provided, however, that the cost of the same service to the owner or tenant is no more than the cost of using the existing individual antenna, the changeover is scheduled at the reasonable convenience of the owner or tenant and service is not disrupted for more than twenty-four hours. Further, the Association may not charge such owner or tenant any portion of the cost of installation of the central antenna and the Association shall reimburse the owner or tenant for the cost of the covered Antenna, prorated over a useful life of five years. In either case, the cost of relocation or removal shall be at the expense of the Association.

C. If a Covered Antenna is installed after the date of general distribution of this resolution, the Association may require its relocation if not in compliance with this resolution; if a Covered Antenna is installed after the Association provides the same service through a common antenna system, the Association may require its removal. In either case, the cost of relocation

or removal shall be at the reasonable expense of the owner or tenant.

IX. ENFORCEMENT

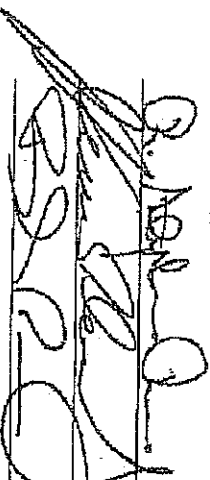
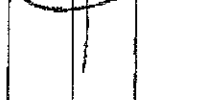
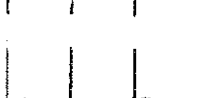
A. If an individual installs an antenna not permitted by this Resolution, the Committee shall enforce the Association's rules in accordance with Policy Resolution No. 1.

B. If an individual installs a permitted antenna not in compliance with this Resolution (other than the prior notification requirement), then the Committee shall require the individual to comply.

C. If an individual installs a permitted antenna in compliance with this Resolution but fails to provide prior notification, the Committee shall not penalize the individual nor pursue any other enforcement action.

SPRING PARK COMMUNITY ASSOCIATION, INC.
RESOLUTIONS ACTION RECORD

This Resolution, Policy Resolution No. 1, was adopted by
the Board on September 1, 1999, with the directors voting
as indicated below:

	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No

ATTEST:



President
Date 9/1/99



Secretary
Date 9/1/99

Effective date of resolution: September 1, 1999
Expiration date (if any): _____

SPRING PARK COMMUNITY ASSOCIATION, INC.
ANTENNA PLACEMENT NOTIFICATION FORM

To: Spring Park Community Association, Inc.
[address]

From: Owner's Name: _____
Tenant's Name (if not owner): _____
Property Address _____

I wish to notify you that I am installing a Covered Antenna on my lot in accordance with Policy Resolution No. _____ of Spring Park Community Association, Inc.

1. TYPE OF ANTENNA: ☐ Direct Broadcast Satellite Antenna (DBS)

Diameter: _____ inches

☐ Multipoint Distribution System Antenna (MDS)
Size: _____ inches

☐ Off-the-air Television Antenna (TVES)

2. MAST: ☐ Yes ☐ No

☐ Height of mast above roof line: _____ feet _____ inches

☐ Height of mast: _____ feet _____ inches and
distance to property line: _____ feet _____ inches

3. LOCATION:

☐ Inside House (including attic)

☐ Rear Yard ☐ Front Yard ☐ Side Yard

☐ On Ground ☐ Patio, Deck or Balcony

☐ Roof at Drip Edge ☐ Roof Below Ridge Line

☐ Roof on Chimney ☐ Roof Above Ridge Line

4. SCREENING: ☐ Yes ☐ No ☐ Partial

I have received the Association's Antenna Placement Guidelines and will install my antenna in compliance with such Guidelines. If my antenna installation does not comply with the Guidelines, I will relocate or reinstall my antenna at my expense to comply with the Guidelines provided that compliance does not preclude reception of an acceptable quality signal or impose an unreasonable expense.

Signature of Owner (or Tenant)