

30972

Prepared by and Return to:
PERRY, BUNDY, PLYLER & LONG, L.L.P.

NORTH CAROLINA

UNION COUNTY

Filed for record

Date 8.13.2002

Time 3:05 a.m. (p.m.)

JUDY G. PRICE, Register of Deeds

Union County, Monroe, N.C.

**RECORDED
AND
VERIFIED
JT**

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
CRISMARK

THIS DECLARATION is made this 13th day of AUGUST, 2002, by CRISMARK PROPERTIES, L.L.C., a North Carolina limited liability company, referred to in this instrument as "Developer."

STATEMENT OF PURPOSE

Developer is the owner of that certain parcel of land which is known as Crismark located in Union County, North Carolina, more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Submitted Property").

It is in the best interest of Developer, as well as to the benefit, interest and advantage of each person or other entity later acquiring any property in Crismark that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed and set forth and declared to be covenants running with the land.

Developer desires to provide for the preservation of the values and attractiveness of the real property in Crismark and for the continued maintenance and operation of such common areas as may be provided.

Developer further desires to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Area, administering and enforcing the covenants and restrictions contained herein, and collecting and disbursing the assessments and charges hereinafter created, in order to sufficiently preserve, protect and enhance the values and amenities in the Development, to ensure the residents' enjoyment of the specific rights, privileges and easements in the Common Area, and to provide for the maintenance and upkeep of the Common Areas and amenities. To that end, the Developer has or will cause to be incorporated under North Carolina law, pursuant to the Articles of Incorporation attached hereto as Exhibit

"B" and incorporated herein by reference, CRISMARK HOMEOWNERS ASSOCIATION, INC., as a nonprofit corporation for the purpose of exercising and performing the aforesaid functions, said corporation to be governed by the bylaws attached hereto as Exhibit "C" and incorporated herein by reference.

In consideration of the premises and for the purposes stated, Developer hereby declares that all of the Submitted Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions (all of which are collectively referred to in this instrument as "restrictions"), which restrictions shall be construed as covenants running with the land and shall be binding upon all parties having any right, title or interest in the described real property Or any part thereof, and to their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I: DEFINITIONS

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

(1.1) "Additional Property" shall mean additional real estate other than the submitted property which may be subject to the terms of this declaration in accordance with the provisions of Section 2.2 of this declaration.

(1.2) "Annual Assessments" shall mean the assessments established pursuant to Paragraph 5.2 of the Declaration.

(1.3) "Association" shall mean CRISMARK HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation organized and existing under the laws of the State of North Carolina and its successors and assigns.

(1.4) "Board of Directors" shall mean and refer to the Board of Directors of the Association, which shall be elected and serve pursuant to the Bylaws.

(1.5) "Bylaws" shall mean the Bylaws for the Association attached as Exhibit "C" hereto and incorporated herein by reference.

(1.6) "Common Area" shall mean all real property owned by the Association in Crismark for the common use and enjoyment of members of the Association lying within the boundaries of the Properties. Common Areas, with respect to the Properties subject to this Declaration, shall be shown on the plats of Crismark recorded in the Union County Public Registry and designated thereon as "Common Area" or "Common Open Space."

(1.7) "Developer" shall mean and refer to Crismark Properties, L.L.C. and its successors and assigns.

(1.8) "FHA and VA" shall mean and refer to the Federal Housing Administration, U.S. Department of Housing and Urban Development, and the Veteran's Administration, respectively. If either or both of these federal agencies shall hereafter cease to exist or perform the same or similar functions they now serve, references hereto to FHA or VA shall be deemed to mean and refer to such agency or agencies as may succeed to the duties and services now performed by either or both of these departments.

(1.9) "Lot" shall mean any numbered plot of land to be used for residential purposes shown upon any recorded subdivision plat of the Properties subject to this Declaration.

(1.10) "Owner" or "Lot Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of Crismark, but excluding those having such interest merely as security for the performance of an obligation.

(1.11) "Person" shall mean a natural person, as well as a corporation, partnership, limited liability company, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

(1.12) "Property" or "Properties" shall mean the Submitted Property described in Exhibit "A" together with such additions thereto as may from time to time be designated by Developer in accordance with Article II hereof, whether or not such additions are contiguous with or adjoining the boundary lines of the Submitted Property. "Property" or "properties" may sometimes be referred to herein as "Crismark."

(1.13) "Special Assessments" shall mean the assessments established pursuant to Paragraph 5.6 of the declaration.

(1.14) "Submitted Property" shall mean that certain parcel of real property described on Exhibit "A" attached hereto.

(1.15) "Dwelling" shall mean a building constructed for residential use.

(1.16) "Accessory Building" shall mean every garage, tool shed, storage or utility building constructed on a lot incidental thereto which is not a dwelling.

(1.17) "Improvements" or "Structures" shall mean buildings, walls, fences, decks, patios, planters, terraces, swimming pools, tennis courts or anything else constructed or placed on any lot.

(1.18) "Building" or "Buildings" shall mean accessory building or buildings, improvements, or structures.

(1.19) "Architectural Review Board" or "ARB" shall mean the Architectural Review Board established by pursuant to Article VIII of this declaration.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

(2.1) The Submitted Property shall be held, transferred, sold, conveyed and occupied subject to this Declaration. Only the Submitted Property is hereby made subject to this Declaration; provided, however, Developer shall have the right to subject other real property to these restrictions as provided in Section 2.2.

(2.2) Without further assent or permit, Developer shall have the right from time to time to submit other real property to the terms and scheme of this Declaration said property to be developed as part of Crismark and thereby bringing such additional properties within the jurisdiction of the Association by filing a Supplemental Declaration in the office of the Register of Deeds for Union County, North Carolina containing a description of the additional property and a statement by the Developer of its intent to extend the operation and effect of this Declaration to the additional property.

(2.3) Any addition of real property shall be made by filing of record one or more Supplemental Declarations in respect to the property to be then made subject to this Declaration, and the jurisdiction of the Association shall thereby then extend to such property and subject such addition to the assessments provided in

this instrument for a just and proportionate share of the Association's expenses. Each Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained herein as may be necessary to reflect the different character of the added properties.

(2.4) Any Supplemental Declaration may contain complementary additions to the covenants and restrictions contained herein as may be necessary in the judgment of Developer to reflect the different character of the Additional Property. In no event, however, shall any Supplemental Declaration revoke, modify or add to the covenants and restrictions contained herein with respect to the Submitted Property, nor revoke, modify, change or add to the covenants and restrictions established by previously filed Supplemental Declarations, without meeting the requirements for Amendment set forth in Section 8.3 of this Declaration.

ARTICLE III: PROPERTY RIGHTS

(3.1) Owner's Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot subject to the provisions of this Declaration, including but not limited to the following:

(a) The right of the Association to limit the use of the Common Area to Owners, their families and guests;

(b) The right of the Association to suspend the voting rights of an Owner and/or to suspend community privileges or services and impose fines for any period during which any assessment against his Lot remains unpaid, or for any infraction of the Association's published rules and regulations, including the restrictive covenants, if any;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association members. No such dedication or transfer shall be effective after the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B membership unless the members entitled to at least two-thirds (2/3) of the vote appurtenant to Class A Lots and Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded written document, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water and sewerage utilities and drainage facilities upon, over, under and across the Common Area without the assent of the membership.

(d) The right of the association to mortgage or convey all or any part of the common area with the consent of at least two-thirds (2/3) of the lot owners (excluding the developer).

(e) The right of the Developer or the Association to grant utility, drainage and other easements across the Common Areas;

(f) The Board of Directors of the Association shall have the right to dedicate or transfer all or any part of the Common Area to third parties provided the Association acquires in return other Common Area of equal or greater value.

(g) Any other rights granted the association pursuant to N.C.G.S. §47-3-102.

(3.2) Delegation and Use. The right and easement of enjoyment granted to every Owner in Section 3.1 of this Article may be exercised by members of Owner's family and guests thereof. An Owner may delegate to his tenants his rights of enjoyment in and to the Common Area and such facilities thereon as may be provided, in accordance with the Association's Bylaws and rules and regulations, if any.

ARTICLE IV: ASSOCIATION

(4.1) Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association which shall be activated no later than August 1, 2002. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

(4.2) Voting and Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners with the exception of Developer and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be Developer and any person, firm or corporation which shall hereafter become vested with title, at any given time, to five or more undeveloped lots for the purpose of causing residence building(s) [dwellings] to be constructed thereon, and any such successor in title to Crismark Properties, L.L.C. shall be a Class B member during such period of time as said party is vested with title to five or more lots so long as said lots are undeveloped, developed but un conveyed, or improvements constructed thereon are unoccupied; but only during such period. A Class B member shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; 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 pursuant to Section 2.2 hereof, or

(ii) Twenty-five (25) years from the date of this Declaration.

(4.3) Suspension of Rights/Imposition of Fines. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights of such member may be suspended by the Board of Directors until such assessment is paid. In the event of violation by a member of any of the restrictions or rules and regulations established by the Board of Directors, such member's voting rights may be suspended by the Board after a hearing. A hearing shall be held before an adjudicatory committee appointed by the Board to determine if any lot owner should be fined or if planned community privileges or services should be suspended. If the Board fails to appoint an adjudicatory committee to hear such matters, hearings shall be held before the Board. Such hearings shall be held by the Board or the adjudicatory committee thereof after giving the member ten (10) days prior written notice specifying each alleged violation and setting the time, place and date of the hearing. The lot owner charged shall be given the opportunity to be heard and to present evidence, and notice of the decision. Determination of the violation shall be made by majority vote of the Board or the committee thereof. If it is decided that a fine should be imposed, a fine not to exceed one hundred fifty dollars (\$150.00) may be imposed for the violation

and without further hearing, for each day after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. §47D-3-116. If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

(4.4) Management Contracts. The Association is authorized and empowered to engage the services of any person, firm or corporation to act as managing agent of the Association at a compensation level to be established by the Board of Directors and to perform all of the powers and duties of the Association. Provided, however, that the term of any such agreement with a managing agent shall not exceed one (1) year and shall only be renewed by agreement of the parties for successive one year terms. Any such contract shall be terminable by the Association with or without cause upon ninety (90) days prior written notice to the manager without payment of a termination fee. The Association is authorized and empowered to enter into contracts with any person, firm or corporation to provide services to Lot Owners, Members or the Association.

(4.5) Insurance. The Association shall be required to obtain and maintain to the extent obtainable, public liability insurance in such limits as the Board of Directors may, from time to time, determine to be customary for projects similar in construction, location and use to the development, covering each member of the Board of Directors, the Managing Agent, if any, and each Owner with respect to his liability arising out of the ownership, maintenance or repair of the Common Areas; provided, however, that in no event shall the amounts of such public liability insurance ever be less than a million dollars per occurrence against liability for bodily injury, including death resulting therefrom, and damage to property, including loss of use thereof, occurring upon, in or about, or arising from or relating to, the property or any portion thereof. Such insurance shall include endorsements covering cross-liability claims of one insured against another, including the liability of the owners as a single group to a single Owner. The Board of Directors shall review such limits annually. Until the first meeting of the Board of Directors following the initial meeting of the Owners, such public liability insurance shall be in amounts of not less than one million dollars per occurrence for claims for bodily injury and property damage.

ARTICLE V: COVENANT FOR MAINTENANCE ASSESSMENTS

(5.1) Purpose of Assessment. The assessments levied by the Association shall be used: (a) to provide funds for maintenance, upkeep, landscaping and beautification of the Common Area in Crismark; (b) to provide services for the Association members to promote the health, safety and welfare of the residents of Crismark, and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Areas, including but not limited to the cost of repair, replacement and additions thereto; (c) for the payment of taxes assessed against the Common Area, for insurance related to the Common Area, for the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful, the employment of security personnel; and (d) the provision of any service which is not readily available from any governmental authority related to the use, occupancy and enjoyment of the properties and which the Association shall decide to provide. The purposes for which assessments may be levied shall include payment for utilities necessary to accomplish the foregoing purposes.

(5.2) Budgeting and Allocating Common Expenses. At least 15 days before the beginning of each fiscal year, the Board shall prepare proposed a budget of the estimated expenses for the operation of the Association and the Operation and maintenance of the Common Areas for the coming year. The budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Lots, and the amount to be generated through the levy of Annual Assessments and Special Assessments against the Lots, as authorized in Section 5.6.

The Association is hereby authorized to levy Annual Assessments equally against all Lots subject to assessments to fund the Common Expenses. In determining the Annual Assessment rate per Lot, the Board may consider any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessment during the fiscal year.

The Developer may, but shall not be obligated to, reduce the Annual Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by Developer under Section 5.3), which may, in the Developer's discretion, either be a contribution, an advance against future assessments due from the Developer, or a loan. Any such subsidy shall be disclosed as a line item in the income portion of the budget. The payment of such subsidy in any year shall not obligate the Developer to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Developer.

~~Within thirty (30) days after adoption of any proposed budget, the Board shall provide to all the lot owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Board shall set a date for a meeting of the lot owners to consider ratification of the budget, such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice.~~ There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting sixty-seven percent (67%) of all the lot owners in the association rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the lot owners shall be continued until such time as the lot owners ratify a subsequent budget proposed by the Board.

If the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

(5.3) Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in said Deed, is deemed to covenant and agree to pay to the Association:

(a) Annual assessments ("Annual Assessments") as established in Section 5.2 for the purposes specified in Section 5.1 which shall be paid annually on or before January 1st of each year.

(b) Special assessments ("Special Assessments") as may be established in Section 5.6 for the purposes specified in Section 5.1 as may be approved by the members, to be established, and collected as provided herein.

For any annual or Special Assessment which remains unpaid for a period of thirty (30) days, in order to secure payment of the Annual and Special Assessments, such charges as may be levied by the Association against any Lot, together with interest, fines, late charges, costs of collection and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment, together with interest, fines, late charges, costs of collection and reasonable attorneys' fees shall also be the personal obligation of the person who is the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successor in title unless expressly assumed by them. Such assumption shall not relieve an Owner of his obligations.

(5.4) Exempt Property. The assessments, charges and liens created under this Article shall not apply to the Common Area, nor shall they apply to any Lot the title to which is vested either in any first mortgagee subsequent to foreclosure or in the Secretary of Housing and Urban Development or the Administrator of

Veterans Affairs or any other state or federal governmental agency which acquired title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan; provided, however, that upon the resale of such property by such first mortgagee or such governmental agency the assessment shall again accrue on such Lot. Any Lot which Developer may hereinafter designate for common use as part of the Common Areas shall also be exempt by a local public authority, and all land granted to or used by a utility company shall be exempt from the assessments created herein.

(5.5) Maximum Annual Assessments. Until January 1st of the year immediately following the conveyance of the first lot to an owner the maximum Annual Assessment shall be Four Hundred Dollars (\$400.00) on each Lot. Annual Assessments may only be increased in accordance with the following:

(a) From and after January 1, of the year immediately following the conveyance of the first lot to an owner, the maximum Annual Assessment may be increased each year not more than ten percent (10%) above the maximum Annual Assessment for the previous year without a vote of the membership.

(b) From and after January 1, of the year immediately following the conveyance of the first lot to an owner, the maximum Annual Assessment may be increased above ten percent (10%) of the previous year's Annual Assessment by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum herein provided.

The Annual Assessments shall be paid as provided in Subparagraph 5.3(a).

(5.6) Special Assessments. In addition to the Annual Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of the Association members who are voting in person or by proxy at a meeting duly called for this purpose.

(5.7) Date of Commencement of Annual Assessments; Due Dates; Certificate of Payment. The Annual Assessments shall commence as to all Lots on the first day of the month following the date such property is submitted to the provisions of this Declaration. From the date on which the Annual Assessments commence on a Lot until the date on which the Lot is sold by the Developer to a purchaser, the Developer and all other Class B members shall be liable for Annual Assessments at a rate which is one-eighth (1/8) of the rate otherwise payable. The first Annual Assessment shall be adjusted according to the number of days remaining in the calendar year when filed. The Association shall, upon demand for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid to date.

(5.8) Effect of Non-Payment of Assessment; Remedies of the Association. Notwithstanding Section 5.7 hereof, the Developer may, at its election, postpone in whole or in part the date on which the assessment shall commence provided that the Developer maintains the Common Area for which no assessment is being collected during the period of such postponement. Any assessment not paid within thirty (30) days after the due date shall be assessed a late charge as determined by the Board of Directors and bear interest from the due date at an annual rate of eighteen percent (18%) but in no event above the then maximum legal rate, and to the extent allowed by law. The Association, or its agent or representative, may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot to which the assessment relates, and interest, costs and reasonable attorneys' fees for such action or foreclosure shall be added to the amount of such

assessment to the extent allowed by law. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area, abandonment of his Lot or for any other reason.

(5.9) Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first priority deed of trust or first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any first mortgage pursuant to a foreclosure thereof or under a power of sale or any proceeding in lieu of foreclosure thereof shall extinguish the lien of such assessment as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE VI: USE RESTRICTIONS

(6.1) Use of Common Areas. No planting or gardening by individual Owners shall be done upon any Common Area. Except for the right of easement of enjoyment in and to the Common Areas herein given to each Owner, Owners are hereby prohibited and restricted from using any of the Common Area except as may be allowed and prescribed by the Association's Board of Directors or as expressly provided for herein. It is Developer's intent that this paragraph inure to the mutual benefit of all Owners within the properties, and each Owner shall have a nonexclusive easement right to use and enjoy the Common Areas which shall be appurtenant to and shall pass with the title to his Lot, subject to the following:

(a) The right of the Association to promulgate and enforce reasonable regulations governing the use of the Common Areas to ensure the availability of the right to use the Common Areas to the Owners and the safety of all Owners on the Common Areas;

(b) The right of the Association to suspend the voting rights of an Owner in the Association and the right of the Association to suspend the right to use certain or all of the Common Areas by an Owner for any period during which any assessment against his Lot remains unpaid for a period of thirty (30) days or longer, and to suspend community privileges and the right to use certain or all of the common areas by an owner or to impose fines for any violation of the restrictions or infraction of its published rules and regulations after the owner is accorded a hearing and an opportunity to be heard.

(c) The right of the Developer or the Association to grant utility, drainage or other easements across the Common Areas; and

(d) The right of the Developer or the Association to permit use of any recreational facility situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of use fees established by the Developer or the Association.

(6.2) Use of Lots. Each Lot now or hereafter subjected to this Declaration are subjected to the following restrictions as to the use thereof running with said property by whomsoever owned:

(a) Residential Lots Only. All lots in the tract shall be known and described as residential lots and shall be used only for residential purposes. No structure shall be erected, altered, placed or permitted to remain on any lot other than a single-family dwelling not to exceed two and one-half (2-1/2) stories in height excluding basement. No business or commercial building may be erected on any lot and no business, other than customary home occupation as referred to in the Indian Trail zoning ordinance, may be conducted on any part thereof. No dwelling, building or other improvement shall be erected upon any lot without prior ARB approval thereof as elsewhere herein provided. In order to assure, however,

that location of the dwellings will be staggered where practical and appropriate, and that all structures will be located with regard to the topography of each individual lot, taking into consideration the elevation contours of the lot and the location of large trees, Developer reserves unto itself, its successors and assigns, the right to absolute control and to solely decide the precise site and location of any dwelling, structure or improvement and the location of utilities upon all lots within Crismark; provided, however, such location shall be determined only after reasonable opportunity is afforded the Lot Owner to recommend a specific site and, in any event, all buildings shall be constructed within the minimum set back lines designated on the recorded map of the subdivision. No lot shall be divided, subdivided or reduced in size unless (i) it is to increase the size of a smaller lot by a reduction from an adjoining larger lot, or (ii) to adjust the property lines to allocate sufficient area for nitrification fields for each lot, or (iii) to permit the flow of storm water in a more natural course, or (iv) unless each divided or subdivided portion thereof is consolidated with one or more contiguous lots under one ownership. In the event that one or more lots are developed as a unit, the provisions of these covenants and restrictions shall apply thereto as a single lot. No dwelling or other structure or improvement shall be erected, altered, placed or permitted to remain on any site not including at least one (1) full lot according to the recorded Map of Crismark.

(b) Setbacks. No building shall be located nearer to the front property line or any side street line than the building setback line as shown on the recorded map. No building shall be located nearer any side lot than the applicable zoning ordinance shall allow. All measurements shall be to the base of the dwelling. In the event of the unintentional violation of any minimum setback requirements herein set forth, Developer, for itself and for its successors and assigns, reserves the right, by and with the mutual consent of the owner of the lot in question, to change the restrictions set forth in this instrument, provided, however, that such changes shall not exceed ten percent (10%) of the marginal requirements of such restrictions.

(c) Minimum Square Footage. The total heated area of each dwelling unit shall be as specified in Exhibit "D".

(d) Limitation of Subdivision of Lots. No Lot shall be subdivided so as to increase the total number of lots shown on said recorded plat.

(e) Driveway. Any driveway constructed or used in or on any lot in the subdivision shall be constructed of concrete, brick or brick pavers, which driveway shall be kept and maintained in good condition and repair. Plans for and installation of driveways are subject to approval of the ARB.

(f) Maintenance. Exterior maintenance, upkeep and repair to the yard, fence, walkways, shrubbery, dwelling and other improvements on each lot shall be the sole responsibility and expense of the owner of the lot. The owner of each lot shall maintain his lot or lots in a neat and clean condition, free of all trash, debris, weeds and vines. The yard, grounds, shrubbery and trees shall be maintained in a neat and trim condition at all times.

(g) Nuisances. No obnoxious or offensive trade or activity shall be carried on or upon any lot nor shall anything be done thereof which may be or become an annoyance or nuisances to the neighborhood. Examples of such offensive activities, shall include but not be limited to, the origination or emission of any loud or disturbing noise or vibrations, the origination or emission of any offensive odors, the maintenance of an auto repair site, the maintenance of unsightly outdoor storage of personal property (including toys, boats, or motorcycles), or other unsightly activity not in keeping with the aesthetic character and high level of appearance of Crismark. In the event of a dispute or question as to

what is or may become an annoyance, nuisance or offensive activity, such dispute or question shall be submitted to the ARB, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

(h) Other Structures. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on the tract shall at any time be used as a residence temporarily or permanently nor shall any structure of a temporary character be used as a residence. No above-ground swimming pools shall be permitted on any lot. No accessory structure shall be moved onto any lot unless it shall conform to and be in harmony with the existing structures in the tract as to design and color. No metal buildings shall be allowed to remain on any lot and all accessory structures must be situated on a permanent foundation. Nothing contained herein shall prevent a construction trailer or sales trailer from being located temporarily on a lot during the construction of improvements within the subdivision.

(i) Utility and Drainage Easements. A perpetual easement is reserved over the rear ten (10) feet of each lot for utility installation and maintenance, and public drainage, and/or as shown on the recorded map. A perpetual easement is reserved over the side and front five (5) feet of each lot line for utility installation, and/or as shown on the recorded map.

(j) Signs. No sign of any kind shall be displayed to the public view on any lot except one sign of not more than six (6) square feet, or in accordance with the sign and zoning ordinance of the Town of Indian Trail, advertising the property for sale or rent, or a sign used by a builder or Developer to advertise the property during the construction and sales period. Developer shall have the right to place permanent signs for advertising and directional within the development.

(k) Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any lot, except household pets (dogs or cats) which may be kept thereon for the sole pleasure and use of the occupants, but not for any commercial use or purpose and no more than two (2) pets over the age of six (6) months which stay primarily outside the residence shall be permitted at any time. Notwithstanding the foregoing, Pit Bulls are expressly prohibited and the Association shall have the right to prohibit and require the removal of any other animal which the Association, in its sole discretion, deems to be undesirable, a nuisance or a safety hazard after consideration of factors, such as size, breed and disposition of the animal, likely interference by the animal with the peaceful enjoyment of the Properties by the Owners and the security measures taken by the Owner with respect to such animal. Every person owning or having possession, charge, care custody or control of a pet shall keep such pet exclusively upon his lot; provided, that such pet may be off the owners' lot if it is under the control of a capable person and restrained by a chain, leash or other means of adequate physical control. Owners are expressly responsible for cleaning up after their pet on the property of other owners and the common areas.

(l) Clotheslines, Garbage Cans, Etc. All garbage cans, lawnmowers and similar equipment shall be kept in an enclosed structure or screened by adequate planting or fencing as to conceal same from the view of neighboring owners and streets. Clotheslines shall not be used nor permitted to be erected or placed on any lot.

(m) Radio and Television Antennas. No freestanding radio or television transmission or reception towers, antennas, dishes or discs shall be erected on a lot. Only one radio and one television antenna attached to the residence not exceeding five (5) feet in height above the roofline of the residence and only one (1) dish attached to the house not exceeding one (1) meter in diameter not visible from the street in front of the residence shall be permitted.

(n) Commercial Vehicles, Buses, Boats, Etc. No commercial vehicle, including but not limited to school buses and tractor trailers, shall be parked within the property shown on the above-described recorded plat. In addition, no boats, campers, trailers, tagless or junk vehicles shall be placed, parked or stored upon any lot, except within an enclosed garage. No maintenance or repair of any vehicle or trailer may be performed upon any lot except within the garage and totally isolated from public view.

(o) Basketball Goals Within Road Right-of-Way. No basketball goal shall be erected or allowed to remain within the right-of-way of any street located within the Submitted Property.

(p) Covenants Independent of One Another. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

(q) Limitations. It is distinctly understood and agreed that nothing herein contained shall be taken and construed as imposing any conditions or restrictions upon any land not specifically covered by these restrictions.

(r) Sale of Unimproved Lot. Before any unimproved lot may be sold or resold to any person, firm, or corporation by any owner or owners thereof except to Developer, the owner or owners of such lot first shall offer in writing to sell the lot to Developer, at the same price for which said lot was sold originally by Developer, to such owner or owners or to his, her or their predecessor or predecessors in title. Said offer must be mailed by certified mail, return receipt requested. If Developer does not accept or reject in writing said offer of sale within fifteen (15) days from the date of receipt of the same, the then owner or owners of such lot shall have the right to sell the same without any further or additional offer to Developer.

(s) Trees. No living tree or shrub, the trunk of which exceeds two (2) inches in diameter at one foot above natural grade, shall be cut down or otherwise destroyed without the prior express written consent of the ARB.

(t) Artificial Vegetation. No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any lot, unless approved by the ARB.

(u) Landscaping. A basic landscaping plan for each dwelling must be submitted to and approved by the ARB.

(v) Miscellaneous. No weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon; and in the event that any Lot Owner shall fail or refuse to keep the Lot Owner's lot free of weeds, underbrush or refuse piles, or other unsightly growths or objects, then the Association may enter upon said lot and remove the same at the expense of the Lot Owner, and such entry shall not be deemed a trespass.

(w) Necessary Exceptions for Development. Developer, or the agents of Developer, shall undertake the work of developing all lots included within the subdivision. The completion of that work and the sale, rent, or other disposition of residential units is essential to the establishment and welfare of the subdivision as an on-going residential community. In order that such work may be completed and the subdivision established as a fully-occupied residential community as soon as possible, nothing in this

Declaration shall be understood or construed to prevent the Developer, Developer's agents or transferees, or the employees, contractors of sub-contractors of Developer, from doing whatever Developer may determine to be reasonably necessary or advisable for the completion of the work and the establishment of the subdivision as a residential community. Lot Owners, upon commencement of construction of any residence, dwelling unit or other structure, which is not prohibited by this Declaration, shall pursue the performance of any construction diligently and continuously until completion of the structure involved. As used in this subparagraph, the words, "its transferees" specifically exclude purchasers of lots improved with completed residences.

(6.3) Permanent Architectural Control. After completion of the construction of the dwelling located on any Lot as approved by the ARB, no building, fence, wall, or other structure shall be commenced or maintained upon the lot, nor shall any exterior addition to or change or alteration to the dwelling be made, including the erection of antennas, aerials, awnings, the replacement of reflective or other material in the windows of a dwelling or other exterior attachment, until the plans and specifications showing the nature, kind, shape, heights, materials, and locations of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to surrounding structures and topography by the Architectural Review Board composed of three or more representatives appointed by Developer or by the Board of Directors, once Developer assigns to it the right of appointment hereunder. In the event the ARB fails to approve or disapprove such design and location within 30 days after said plans and specifications have been submitted to it, approval will not be required, and this paragraph 6.3 will be deemed to have been fully complied with. The Architectural Review Board shall have the right to charge a reasonable fee, payable to the Association, for receiving such application in an amount not to exceed \$100.00. The Architectural Review Board shall not approve any alterations, decorations, or modifications which would jeopardize or impair the soundness, safety or appearance of any Lot. Refusal or approval of plans, specifications, builder or location may be based upon any grounds including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Architectural Review Board shall be deemed sufficient. Provided that nothing contained herein shall be construed to permit interference with the development of the properties by the Developer in accordance with its general plan of development.

ARTICLE VII: EASEMENTS

(7.1) General. Each Lot now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat or plats of survey upon which such Lot is shown. No structure of any type shall be erected or placed upon any part of a Lot or the Common Area which shall interfere with rights and use of any and all easements shown on said recorded plat.

(7.2) Utilily and Drainage. An Easement on each Lot is hereby reserved by Developer for itself and its successors and assigns along, over, under and upon a strip of land ten (10) feet in width along the rear lot lines of all Lots shown on the recorded plats, and easements five (5) feet in width along the front and side lot lines of all Lots shown on recorded plats, in addition to such other easements as may appear on a recorded subdivision plat for Crismark. The purposes of them easements shall be to provide, install, maintain, construct and operate drainlines to, from or for each of the Lots. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow or drainage channels in the easements except for party walls located on a portion of the side line or lines of a Lot. The easement area of each and all improvements in it shall be maintained continuously by Owner, except for those improvements for which a public authority or utility is responsible. With ten (10) days' prior written notice to Owner, Developer may exercise the right to remove obstructions in such easements upon Owner's failure to do so. For the purpose of this covenant, Developer reserves the right to modify or extinguish the herein reserved easements along any Lot lines when in its sole

discretion adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. For the duration of these restrictions, no such utilities shall be permitted to occupy or otherwise encroach upon any of the easement areas reserved without first obtaining the prior written consent of Developer; provided, however, local service from utilities within easement areas to residence constructed upon any such lots may be established without first obtaining separate consents therefor from Developer. The Association may likewise reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities in, across, under and over the Common Area.

(7.3) Control of Signs. Developer shall have the right to place permanent and temporary directional and advertising signs for Crismark on the Common Area and unsold Lots and within street rights-of-way until one hundred percent (100%) of the Lots have been sold.

(7.4) Emergency. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and security guards employed by Developer and all similar persons to enter upon the Properties or any portion thereof in the performance of their respective duties.

(7.5) Municipal Easement. A general easement of access is granted to all utility providers, into, over and through each Lot for the purpose of maintaining, repairing and servicing the utility lines located on said Lot and for providing municipal services to which said Lot is entitled.

ARTICLE VIII: ARCHITECTURAL CONTROL

TO PRESERVE THE BEAUTY, QUALITY AND VALUE OF THE NEIGHBORHOOD

(8.1) Necessity of Architectural Review and Approval. No dwelling, improvement or structure of any kind, including, without limitation, any building, fence, wall, swimming pool, tennis court, screen enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement shall be commenced, erected, placed or maintained upon any lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the plans, specifications and location of the same shall have been submitted to, and approved in writing by the Architectural Review Board ("ARB"). All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography and as to conformance with the Architectural Planning Criteria of the Developer, a copy of which is attached hereto as Exhibit "D" and incorporated herein by reference. The Architectural Review Board shall examine the plans to ensure that dwelling improvements or structures comply with the guidelines set forth in the Architectural Planning Criteria and building procedure.

(8.2) Architectural Review Board. The architectural review and control functions shall be administered and performed by the Architectural Review Board ("ARB"), which shall consist of three (3) members, who need not be members of the Association. The Developer shall have the right to appoint all of the members of the ARB, or such lesser number as Developer may choose, as long as Developer owns at least one lot in Crismark. Members of the ARB as to whom Developer may relinquish the right to appoint, and all members of the ARB after Developer no longer owns at least one lot in Crismark, shall be appointed by, and shall serve at the pleasure of the Board of Directors of the Association. A majority of the ARB shall constitute a quorum to transact business at any meeting of the ARB, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARB. Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any member thereof shall be filled by the Board of Directors of the Association; except that Developer, to the exclusion of the Association, shall fill any vacancy created by

death, resignation, removal or other termination of services of any member of the ARB appointed by Developer. Developer reserves the right to transfer or assign the duties and functions of the ARB to the Association.

(8.3) Powers and Duties of the ARB. The ARB shall have the following powers and duties:

A. To recommend, from time to time, to the Association modifications and/or amendments of the Architectural Planning Criteria. Any modification or amendment to the Architectural Planning Criteria shall be consistent with the provisions of this Declaration, and shall not be effective until adopted by a 75% majority of the Lot Owners (members) of the Association at a meeting duly called and noticed and at which a quorum is present and voting. Notice of any modification or amendment to the Architectural Planning Criteria, including a verbatim copy of such change or modification, shall be delivered to each Lot Owner (member) of the Association; provided that, the delivery to each Lot Owner (member) of the Association of notice and a copy of any modification or amendment to the Architectural Planning Criteria shall not constitute a condition precedent to the effectiveness or validity of such change or modification.

B. To require submission to the ARB of two (2) complete sets of all plans and specifications for any improvement or structure of any kind, including, without limitation, any dwelling, building, fence, wall, swimming pool, tennis court, enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvements, the construction or placement of which is proposed upon any lot in Crismark. The ARB may also require submission of samples of building materials proposed for use on any lot, and may require such additional information as reasonably may be necessary for the ARB to completely evaluate the proposed structure or improvement in accordance with this Declaration and the Architectural Planning Criteria.

C. Using the Architectural Planning Criteria as its guide, to approve or disapprove any improvement or structure of any kind, including without limitation, any building, fence, wall, swimming pool, tennis court, screen enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon any lot in Crismark, and to approve or disapprove any exterior additions, changes, modifications or alterations therein or thereon. All decisions of the ARB shall be in writing. Nothing herein or the approval granted by the ARB for construction shall constitute or be construed as an approval by ARB of the structural design, stability or quality of any dwelling, building or improvement.

D. After Developer has assigned the ARB duties and functions to the Association, the Association may adopt a schedule for reasonable fees for processing requests for ARB approval of proposed improvements. Such fees, if any, shall be payable to the Association, in cash, at the time that plans and specification are submitted to the Association.

ARTICLE IX: GENERAL PROVISIONS

(9.1) Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

(9.2) Duration. The covenants, conditions and restrictions of this Declaration shall be binding for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive and additional periods of ten (10) years each.

(9.3) Amendment. This Declaration may be amended or terminated by an instrument signed by not less than sixty-seven percent (67%) of the Class A Owners and all of the Class B owners subject to the following conditions:

(a) All additions or amendments must be consented to by Developer in writing so long as Developer is the owner of any lot in the development;

(b) Notwithstanding anything in this Section 8.3 to the contrary, Developer may, at Developer's option, amend this Declaration without obtaining the consent or approval of any other person or entity if such amendment is necessary to cause this Declaration to comply with the requirements of the FHA, VA, the Federal National Mortgage Association or other similar agency;

(c) No amendment shall become effective until the instrument evidencing such change has been filed of record in the Union County Public Registry.

(9.4) FHA/VA Approval. In the event the Developer, its successors or assigns, has arranged for and provided purchaser of Lots with FHA insured or VA mortgage loans, then as long as any Class B lot exists, as provided in Article VI hereof the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, other than as provided in Article II hereof, deeding, mortgaging or dedication of Common Area to persons other than the Association and amendment of this Declaration.

(9.5) Enforcement. If any Owner shall violate or attempt to violate any of these restrictions, failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board of Directors on behalf of the Association, or, in proper case, by an aggrieved Owner. Any failure by Association or any other Owner to enforce any of the foregoing restrictions or other provisions shall in no event be deemed a waiver of their right to do so thereafter. Invalidation of any covenant, condition or restriction or other provision of this Declaration shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

(9.6) Headings. Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

(9.7) Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Developer or its successors reserves the right (by and with the mutual written consent of the then Owner or Owners of such Lot) to change, amend or release any of the foregoing restrictions as the same may apply to that particular Lot.

(9.8) Severability. The provisions of this Declaration are severable and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder hereof.

EXHIBIT "A"
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CRISMARK

SUBMITTED PROPERTY

Being all of the lots, common area and other property in Crismark as shown on a deed thereof recorded in Book 1298 at Page 20 in the Union County Public Registry.

EXHIBIT "D"
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CRISMARK

ARCHITECTURAL PLANNING CRITERIA

Developer has adopted the following Architectural Planning Criteria to be used and followed by the Architectural Review Board:

1. Building Type. No dwelling shall be erected, altered, placed or permitted to remain on any Lot other than one single-family dwelling having an attached enclosed garage for not less than two (2) cars.

All dwellings shall be subject to the following requirements for the minimum enclosed heated living area:

According to base Phase Map:

Phases 6, 8 & 9 (55' front foot lots) – minimum 1000 sq. ft.

Phases 10 & 11 (65' front foot lots) – minimum 1400 sq. ft.

Phases 1, 2, 12 & 13 (75' front foot lots) – minimum 1600 sq. ft.

Phase 4 (80' & 90' front foot lots) – minimum 1800 sq. ft.

Phases 5 & 7 (100' front foot lots) – minimum 2000 sq. ft.

The minimum ground floor area herein above referred to shall not include basements, garages, unheated storage areas or porches of any type.

2. Separate and Apart Structure. Unless approved by the ARB as to use, location and architectural design, no garage, tool or storage room may be constructed separate and apart from the residential dwelling, nor can any such structure(s) be constructed prior to construction of the main residential dwelling. In no event shall such separate and apart structure be approved by ARB or built unless same (i) is built upon a lot having a minimum of 10,000 square feet of area, or more, and is built of the same materials and architectural styling as the dwelling and (ii) has a minimum ground floor area of 100 square feet and a maximum ground floor area of 150 square feet. Permission to build such separate and apart structure shall not waive or eliminate the requirement to build an attached enclosed garage.

3. Layout. No foundation for a building shall be poured, nor shall construction commence in any manner or respect, until the layout for the building is approved by the ARB. It is the purpose of this approval to assure that no trees are -unnecessarily disturbed and that the home is placed on the Lot in its most advantageous position.

4. Prior to and During Construction. Prior to and during construction, the following conditions must be met.

(a) Silt fences must be installed and maintained wherever necessary and determined by the ARB at the time of plan approval.

(b) A temporary drive with five (5) inches of number five (#5) crushed stone base must be provided from the paved street to the site of the actual dwelling construction. This includes the area

between the sidewalk and the curb. Existing sidewalks are not to be covered with crushed stone or gravel. No exceptions. Sidewalk section may be removed during construction.

(c) The gravel construction drive shall include a wash-down area for removing mud from wheels of vehicles before entering the street. If mud, from any source, is allowed to be taken into the street, the builder shall be responsible for immediately cleaning the street of such mud. Failure to comply will result in the Developer having street washed and cleaned with the invoice for same charged to the Builder and Lot Owner.

(d) Forklifts, cranes, or trucks shall not cross the sidewalks except at the site of the construction drive.

(e) No brick, block, stone or other building materials or appliances shall be stored on the sidewalk or on the paved street at anytime during construction.

5. Driveway Construction. All dwellings shall have a concrete paved driveway of at least sixteen (16) feet in width at the entrance to a two-car garage.

The following is required for all driveways:

(a) All driveways must be constructed with concrete, brick or brick pavers.

(b) All driveways must be flared to the street from the point where the driveway (on the home side of the driveway) intersects with the sidewalk.

(c) Should the Curb or sidewalk be broken or damaged during construction, then the curb or sidewalk must be repaired or replaced to its original condition and acceptable to the ARB.

6. Construction and Landscape Trash, Debris, Dirt & Mud. During construction and landscaping, builder and Lot Owner shall keep all construction trash and debris in a dumpster or take other measures necessary to keep the lot free of trash and construction debris. Additionally, contiguous public and private areas, including street, curb and sidewalk must be kept free from gravel, stone, rocks, dirt, mud, trash, or other debris occasioned by construction activities. At the time of landscaping, the street, curb and sidewalk must be broom swept before landscape contractor leaves the job.

7. Exterior Color Plan. The ARB shall have final approval of all exterior color plans and each Owner must submit to the ARB a color plan showing the color of the roof, exterior walls, shutters, trims, etc. The ARB shall consider the extent to which the color plan is consistent with the homes in the surrounding areas and the extent to which the color plan conforms with the color scheme of and for Crismark.

8. Roofs. Flat roofs shall not be permitted. No built-up roofs shall be permitted. Roofs of the dwelling shall have a pitch of 6 to 12 or greater and the composition of an pitched roofs shall be tile, cedar shake shingles, slate or minimum 20 year roofing approved by the ARB. Skylights and all forms of venting should not be constructed or placed on the front or side elevation or any other elevation of the Dwelling where such can be seen from the street. Any necessary venting that can be seen from the street shall be painted to match the roof color.

9. Garages. In addition to the requirements set forth in Paragraph 1 hereinabove, all garages shall be a two car garage. Front entry garages shall have a driveway with a minimum width of sixteen (16) feet.

10. Repeat Use of Plans. No dwelling using the same house plan (whether or not reversed), elevation or color scheme shall be immediately adjacent to any house using the house plan, elevation or color scheme on the same side of the street. Additionally, the same house plan (whether or not reversed), elevation or color scheme shall not be used directly across the street from a house using said house plan, elevation or color scheme.

11. Dwelling Quality. The ARB shall have final approval of all exterior building materials.

12. Games and Play Structures. All basketball backboards and other fixed games and play structures shall be located at the rear of the dwelling, or on the inside portion of corner Lots within the setback lines. No platform, dog house, playhouse or structure of a similar kind or nature shall be constructed on any part of a Lot located in front of the rear line of the dwelling constructed thereon, and any such structure must have prior approval of the ARB.

13. Fences and Walls. There shall be no fences or walls made or constructed of (i) chain link or other wire fencing materials, or (ii) solid wood with the exception of any fencing for tennis, basketball or badminton approved by the ARB; however, a fence or wall constructed of (a) brick columns and wood rails or (b) brick columns and ornamental metal pickets or (c) all ornamental metal fencing or (d) brick or (e) stucco or (f) hedge properly manicured, or (g) split rail may be approved by ARB. The composition, location and height of any fence or wall to be constructed on any Lot shall be subject to the approval of the ARB. The ARB shall require the composition of any fence or wall to be consistent with the material used in the surrounding homes and other fences, if any. The location restrictions set forth above in this paragraph shall not pertain to any fencing erected within the Common Area or as part of the permanent entryway to Crismark. Except as provided for with regard to fencing for tennis, baseball, or badminton and approved by the ARB, no fence shall be any taller than four feet (4') tall.

14. Landscaping and Irrigation. All homes approved by the ARB must include a landscape plan which provides a minimum of at least one (1) tree planted per yard.

15. Swimming Pools and Tennis Courts. A swimming pool or tennis court to be constructed on any lot shall be subject to the requirements of the ARB, which include, but are not limited to, the following:

(a) Composition to be of material thoroughly tested and accepted by each industry for such construction.

(b) The outside edge of any pool wall may not be closer than eight (8) feet to a line extended and aligned with the side walls of the dwelling.

(c) The pool fence and/or screening must not extend closer than four (4) feet from the line aligned with the side walls of the dwelling without approval by the ARB.

(d) Pool screening may not be visible from the street in front of the dwelling without prior approval of the ARB.

(e) Any lighting of a pool or other recreation area shall be designed so as to buffer the surrounding residences from the lighting.

If one owner elects to purchase two (2) adjoining Lots and use one for recreation purposes, the Lot used for recreation purposes must be adequately screened by landscaping and/or walls or fences on both the front and side as required by the ARB. It shall be the intent of the ARB to screen any such use from public view.

16. Garbage and Trash Containers. No Lot shall be used or maintained as a dumping ground for rubbish, trash or other waste. All trash, garbage and other waste shall be kept in sanitary containers and, except during pick-up, if required to be placed at the curb, all containers shall be kept within an enclosure which the ARB shall require to be constructed with each dwelling. If trash containers are required to be placed at the curb for pickup, all such containers shall be placed in an area that will not block passage on the sidewalk.

17. Removal of Trees. In reviewing building plans, the ARB shall take into account the natural landscaping such as trees and shrubs, and encourage the Lot Owner to incorporate them in the landscaping plan. No living trees of two (2) inches in diameter at one (1) foot above natural grade shall be cut or removed without approval of the ARB, which approval may be given when such removal is necessary for the construction of a dwelling or other improvement.

18. Window Air Conditioning or Heating Units -- Screening of Heating and Cooling Units. No window or above ground wall air conditioning or heating units shall be permitted. All heating and cooling units must be screened, from the street view, by shrubs and/or other plantings which must appear on the landscape plan submitted for approval of the ARB.

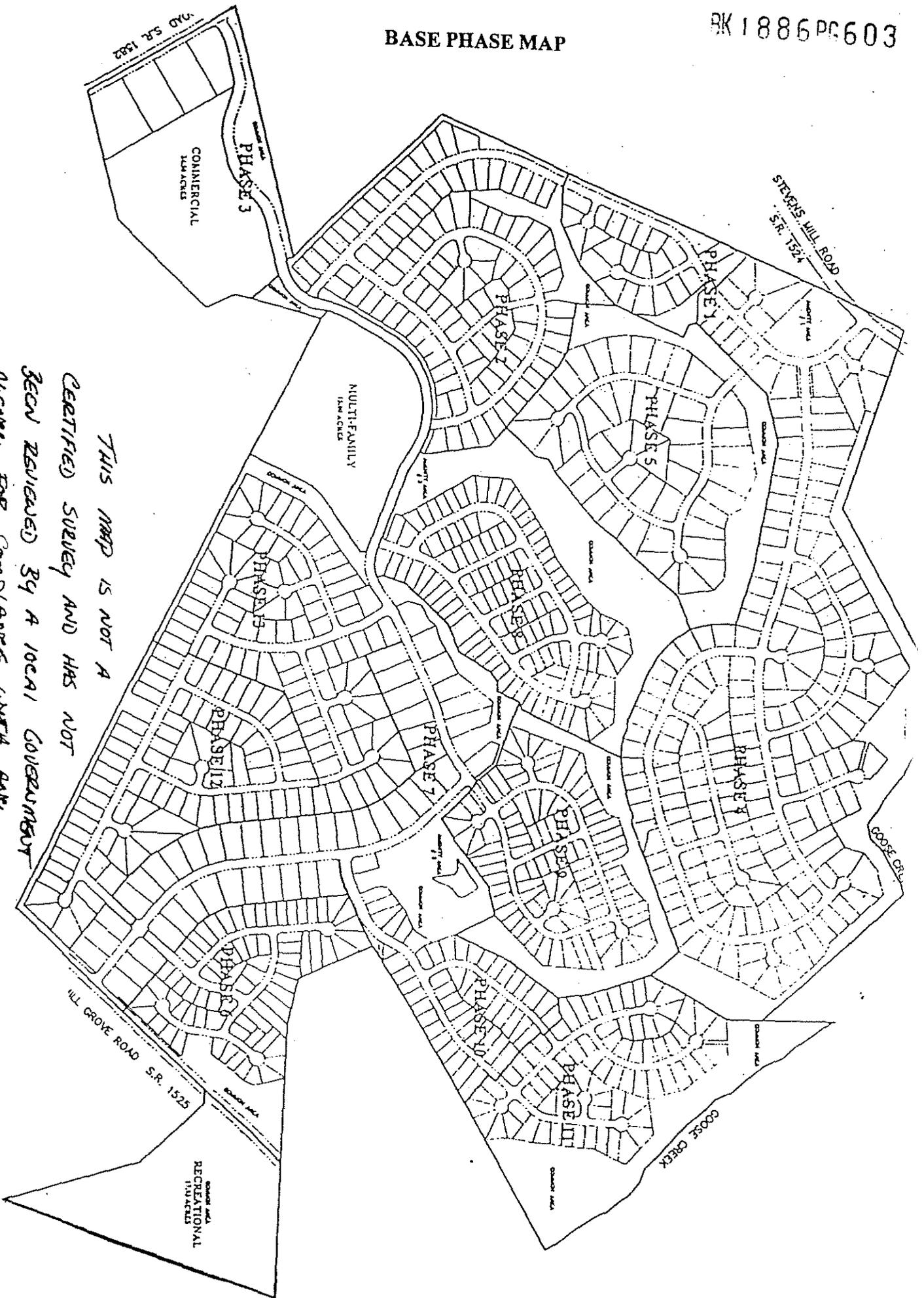
19. Mailboxes. No mailbox or paperbox or other receptacle of any kind for use in the delivery of mail or newspapers or magazines or similar material shall be erected on any Lot unless and until the size, location, design and type of material for said boxes or receptacles shall have been approved by the ARB. If and when, the United States mail service or the newspaper or newspapers involved shall indicate a willingness to make delivery to wall receptacles attached to dwellings, each property owner, upon the request of the ARB or the Association, shall replace the boxes or receptacles previously used for such purpose or purposes with wall receptacles attached to dwellings.

20. Sight Distances at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines and elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points thirty-five (35) feet from the intersection of the street lines, or in case of a rounded property corner, from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight-lines.

21. Utility Connections. Building connections for all utilities, including, but not limited to, water, sewer, gas, electricity, telephone and television shall be run underground from the proper connecting points to the dwelling or other building structure in such a manner to be acceptable to the governing utility authority and the ARB.

22. ARB Reports. ARB's final signed approval or disapproval of plans and specifications shall be kept by the ARB and a signed copy given to Owner. The ARB's approval or disapproval as required in the foregoing Architectural Planning Criteria shall be indicated in writing (on the plans) to the Owner submitting same. In the event the ARB fails to approve or disapprove plans and specifications within thirty (30) days of submission thereto, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related criteria shall be deemed to have been fully complied with.

BASE PHASE MAP



*THIS MAP IS NOT A
 CERTIFIED SURVEY AND HAS NOT
 BEEN REVIEWED BY A LOCAL GOVERNMENT
 AGENCY FOR COMPLIANCE WITH ANY
 APPLICABLE LAND DEVELOPMENT REGULATIONS.*

EXHIBIT "B"



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

CRISMARK HOMEOWNERS ASSOCIATION, INC

the original of which was filed in this office on the 14th day of June, 2002.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 14th day of June, 2002

Elaine F. Marshall

Secretary of State

22 165 9044

**ARTICLES OF INCORPORATION
OF
CRISMARK HOMEOWNERS ASSOCIATION, L.L.C.
A Nonprofit Corporation**

The undersigned natural person of the age of eighteen (18) years or more, hereby forms a nonprofit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the North Carolina General Statutes, entitled "Nonprofit Corporation Act," and the several amendments thereto, and to that end does hereby set forth the following:

1. The name of the corporation is **CRISMARK HOMEOWNERS ASSOCIATION, INC.**
2. The period of duration of the corporation shall be perpetual.
3. The purposes for which the corporation is organized is to provide property owners association for the owners of lots in the subdivision being developed in Union County, North Carolina, which subdivision is and shall be commonly known as **CRISMARK** and thereby to provide for the acquisition, construction, management, maintenance, and care of the corporation's property including property held by the corporation, property commonly held by members of the corporation, property within the subdivision privately held by the members of the corporation, and property owned by a governmental unit and used for the benefit of the members of the corporation and residents of Crismark; to exercise such powers, privileges and perform the duties and obligations of the corporation as may be set forth in that certain "Declaration of Covenants and Restrictions for Crismark," hereinafter called the "Declaration," applicable to **CRISMARK** to be recorded in the Office of the Register of Deeds for Union County, North Carolina, and as the same may be amended from time to time as therein provided, including the levying and collection of assessments, as provided in the said Declaration; generally, to promote the health, safety and welfare of the residents of **CRISMARK** and any additions as may hereafter be brought within the jurisdiction of the corporation and to do any and all things and exercise any and all powers, rights, privileges granted by the North Carolina Nonprofit Corporation Act to corporations under that Act as it may from time to time be amended, including making donations for the public welfare or for religious, charitable, scientific, or educational purposes.
4. The qualifications and rights of the members of the corporation shall be as set forth in the Declaration and the Bylaws.
5. The affairs of the corporation shall be managed by the Board of Directors consisting of not fewer than one (1) director nor more than five (5) directors. Qualifications of the directors, together with their terms of office, manner of election, removal, change in number, filling of vacancies, and newly created

directorships, powers, duties, and liabilities shall, except as otherwise provided in these Articles of Incorporation or by the laws of the State of North Carolina be subscribed in the Declaration and in the Bylaws. The number of directors constituting the initial Board of Directors shall be one (1); and the name and address of the person who is to serve as initial director of the corporation, until his successor is elected and qualifies, is:"

Mark Tyson
2258 West Roosevelt Blvd.
Monroe, NC 28110

6. The initial registered office of the corporation is **2258 West Roosevelt Blvd., Monroe, NC 28110**, and the name of the initial registered agent at such address is **Mark Tyson**.
7. The principal office of the corporation is **2258 West Roosevelt Blvd., Monroe, NC 28110**.
8. No part of the net earnings of the corporation shall insure (other than by acquiring, constructing, or providing management, maintenance, and care of the corporation's property, and other than by a rebate of excess membership dues, fees or assessments) to the benefit of any member or individual; and upon the dissolution of the corporation, its assets shall after all of its liabilities and obligations have been discharged or adequate provision made therefor, be distributed and dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created. In the event that acceptance of such dedication is refused such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.
9. The name and address of the incorporator is **Mark Tyson, is 2258 West Roosevelt Blvd., Monroe, NC 28110**.
10. These articles of incorporation shall be effective upon filing.

This the 13th day of June 2002.



Mark Tyson, Incorporator

EXHIBIT "C"
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CRISMARK

BYLAWS
OF
CRISMARK HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
Name and Location

The name of the corporation is CRISMARK HOMEOWNERS ASSOCIATION, INC., (the "Association"). The principal office of the Association shall be located at Monroe, North Carolina 28110, or at such other place as the Board of Directors may deem convenient or the affairs of the Association may require, provided that meetings of members and directors may be held at such place and location in the State of North Carolina as may be agreed upon by the majority of the Board of Directors.

ARTICLE 11
Definitions

1. "Association" shall mean CRISMARK HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation organized and existing under the laws of the State of North Carolina, its successors and assigns.
2. "Common Area(s)" shall have the same meaning as contained in the Declaration.
3. "Declaration" shall mean the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties as recorded in the Office of the Register of Deeds for Union County, North Carolina.
4. "Developer" shall mean Crismark Properties, L.L.C. having a principal place of business in Monroe, North Carolina, its successors and assigns.
5. "Lot" shall have the same meaning as contained in the Declaration.
6. "Owner" shall have the same meaning as contained in the Declaration.
7. "Properties" shall mean any and all of that certain real property now or which may hereafter be made subject to the Declaration as part of the subdivision being developed by Developer in the Union County, North Carolina, which subdivision is and shall be commonly known as Crismark.

ARTICLE III
Membership

Section 1. Every person or entity who is the Owner of record of a fee interest in any Lot or who is purchasing one or more Lots under a contract or purchase agreement within the Properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, Bylaws, rules and regulations. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for

membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity is purchasing one or more Lots under a contract or agreement of purchase, the membership as to such Lot(s) shall be joint and the right of such membership pertaining to voting power arising therefrom shall be exercised only as stipulated in Article V hereinbelow.

Section 2. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association for a period of thirty (30) days or longer and after the member is given notice and an opportunity to be heard, the voting rights and right to the use of the Recreational Areas or any other facilities which the Association may provide may be suspended by the Board of Directors or its authorized designee until such assessment is paid. In the event of violation by a member of any rules or regulations established by the Board of Directors after the member is given notice and an opportunity to be heard, such member's voting and use rights may be suspended by the Board or its authorized designee as provided in the Declaration.

Section 3. No membership or initiation fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each member's Lot as specified in the Declaration, these Bylaws, or as the members of the Association may from time to time hereafter adopt.

ARTICLE IV Meetings of Members

Section 1. The first annual meeting of the members shall be held within three (3) months following the filing of the Articles of Incorporation for the Association, the exact date, time and place of which shall be determined at the election of Developer, and each subsequent annual meeting of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 2 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 2. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of the members who are entitled to vote one-third (1/3) of the votes of each class of membership of the Association.

Section 3. Written notice of meetings stating the time and place of the meeting and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either by hand delivery or by mail, by or at the direction of the President, the Secretary or the person authorized to call the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mails addressed to the member at his address as it appears on the records of the Association with the postage thereon prepaid.

Section 4. The presence in person or by proxy at the beginning of a meeting of members entitled to vote, ten percent (10%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. A majority of the votes entitled to be cast by the members present in person or represented by proxy at such meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members. If however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power by affirmative vote of a majority of those present in person or by proxy to adjourn the meeting from time

to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present or be represented; provided, however, that when a meeting is adjourned for more than 45 days from the date set forth in the original notice of meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. The quorum requirement at the adjourned meeting shall be one-half (1/2) of the quorum requirement applicable to the meeting adjourned for lack of a quorum. The quorum requirement shall continue to reduce by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted.

Section 5. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot within the Properties,

ARTICLE V Voting and Voting Rights

Section 1. The voting rights of the membership shall be appurtenant to the ownership of the Lot and shall otherwise be as set forth in the Declaration.

A. Any member who is delinquent in the payment of any charges duly levied by the Association against a Lot owned by such member shall not be entitled to vote until payment of all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, has been made.

B. Members shall vote in person or by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution or upon conveyance by the member of his Lot. A corporate member's vote shall be cast by the President of the member corporation or by any other officer or proxy appointed by the President or designated by the Board of Directors of such corporation.

C. Voting on all matters (except the election of directors, which shall be by written ballot) shall be by voice vote or by show of hands unless a majority of the members of each Class present at the meeting shall, prior to voting on any matter, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the members, the solicitation of proxies for such elections may be conducted by mail.

ARTICLE VI Property Rights

Section 1. Each member of the Association shall be entitled to the use and enjoyment of the Common Areas subject to the provisions of the Declaration.

Section 2. Each member of the Association shall have such an interest in the Association as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes in the Association. Said number may change from time to time as additional property is subjected to the Restrictions and these Bylaws.

ARTICLE VII

Maintenance Charges

Section 1. By the Declaration each member is deemed to covenant to pay to the Association: (1) Common Area Assessments or other periodic charges and (2) Special Assessments as approved by the members. The Common Area Assessments and Special Assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall, to the extent permitted by law, be a continuing lien upon the property against which each such assessment is made to secure the payment of said assessments due and to become due. Each such assessment, together with such interest, costs and reasonable attorneys' fees as defined in N.C.G.S. §47F-1-103(26), shall also be the personal obligation of the person which was the Owner of such property at the time when the assessments fell due and shall not pass to the successors in title unless expressly assumed by them, which assumption shall not, however, relieve Owner of his personal obligation in event of nonpayment.

Section 2. The assessments paid to the Association shall be used exclusively for the purpose of establishing and maintaining a fund which will be used to promote the recreation, health, safety, and welfare of the residents within Crismark in their use and occupancy of the Property and in particular to pay for the expense of maintaining the Common Areas and other facilities related to the use and enjoyment thereof. By way of illustration, but without limitation, the fund may be used for the following: beautifying, maintaining and operating such greenways, playgrounds, parks and recreational areas as the Board of Directors deems appropriate; for doing anything reasonably necessary or desirable in the opinion of the Board of Directors of the Association to keep the Common Areas neat and in good order and condition; and to provide such other common community services as the members of the Association shall decide are necessary or useful for the benefit, health and welfare of residents of Crismark. Nothing herein shall limit the use of assessments for any .her lawful purpose or power of the association as set forth in N.C.G.S. §47F-3-102.

Section 3. The annual assessments shall be determined as provided in the Declaration.

Section 4. In addition to the assessments authorized above, the Association may levy at any time a special assessment as provided in the Declaration.

Section 5. The establishment of annual and special assessments, the date of commencement of annual assessments, and other matters relating to assessments are set forth in the Declaration and are incorporated herein by reference.

ARTICLE VIII Board of Directors

Section 1. The business and affairs of this Association shall be managed by a Board of Directors. At the inception of the Association, the Board shall consist of the members named in the Articles of Incorporation, and after the first annual meeting the number of directors shall be no less than one (1) nor more than five (5).

The size of the Board of Directors may be increased or decreased from time to time upon the affirmative vote of three-fourths (3/4) of all Lot Owners. Each director shall hold office for the term for which he was elected, or until his death, resignation, retirement, removal, disqualification or until his successor is elected and qualified. Each such director shall serve for a one-year term. Nothing herein contained shall be construed to revent the election of a director to succeed himself.

Section 2. The first Board of Directors named in the Articles of Incorporation of the corporation shall serve from the date of the Declaration until their successors are duly elected and have qualified. Only thereafter,

directors shall be elected by ballot at the annual meeting of the members. Each director shall hold office until his death, resignation, removal, disqualification, or his successor is elected or appointed and qualified. Any vacancy may be filled at any time by a majority of the remaining directors, though less than a quorum, but a vacancy created by an increase in the authorized number of directors shall be filled only by election at an annual meeting or at a special meeting of members called for that purpose.

Section 3. The directors shall act only as a board, and the individual directors shall have no power as such. A majority of the directors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of directors present at any time at which there is a quorum shall be the act of the Board of Directors.

Section 4. The Board of Directors may, by resolution adopted by a majority thereof, designate one or more executive committees, each executive committee to include not less than one (1) director as members thereof which executive committees to the extent provided in said resolution, may have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the affairs of the Association. The Board of Directors may designate such other committees which it may deem necessary and advisable in the efficient operation of the project. These committees may be appointed by the Board from those Lot Owners who are Lot Owners but not directors, to serve in such capacity as the directors may specify.

Section 5. The Board of Directors shall meet for the transaction of business at such time and place as may be designated from time to time by resolution of the Board. Regular meetings of the Board may be held without notice. Special meetings of the Board of Directors may be called by the President or by any two (2) members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting and objects thereto to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. The Board of Directors may from time to time determine the order of business at its meetings. At all meetings of the Board, the President, or in his absence, the Chairman chosen by the directors present, shall preside.

Section 7. The Board of Directors, after the close of the fiscal year, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

Section 8. Subsequent to their election by members, any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 9. No director shall receive compensation for any service he may render to the Association, provided, however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 10. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE IX
Powers and Duties of the Board of Directors

Section 1. The Board of Directors shall have the power to:

- (a) adopt and publish rules and regulations governing the use of the Common Areas and other facilities provided for the common use and benefit of Association members, and to establish penalties for the misuse thereof,
- (b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; provided that the Common Area may not be mortgaged or conveyed without the consent of at least two-thirds of the members, excluding the Developer.
- (c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (d) enter into agreements with third parties in order to facilitate efficient operation of the Common Areas. It shall be the primary purpose of such agreements to provide for the administration, maintenance and repair, and operation of the Common Areas. The terms of said agreements shall be as determined by the Board of Directors to be in the best interest of the Association and the Owners;
- (e) employ a manager, an independent contractor, or such other employees as the Board deems necessary, and to prescribe their duties, to carry out and accomplish the purposes of the Association;
- (f) open bank accounts on behalf of the Association and designate signatories required therefor.

Section 2. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members of the Association;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) fix the amount of the annual or special assessments against each Lot as provided in the Declaration and send written notice of each assessment to every Association member at least thirty (30) days in advance of each annual or special assessment due date, subject, however, as to special assessments, the assent of the membership as hereinabove provided;
- (d) issue, or cause an appropriate officer to issue, upon demand, by any person, a receipt setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates and such certificates, if issued, shall be conclusive evidence of payment of any assessment therein stated to have been paid;
- (e) cause the Common Areas to be maintained; and

(f) obtain insurance for the Property, pursuant to the provisions of the Declaration.

All of these duties may be delegated by the Board of Directors to a bonded professional management company in the sole discretion of the Board of Directors, with the exception of that duty set forth in Subsection (c) above. All management contracts must be terminable without liability upon ninety (90) days written notice by either party.

ARTICLE X Officers and Their Duties

Section 1. The officers of this Association shall be a President and one or more Vice Presidents, a Secretary, a Treasurer, and such other officers and assistant officers as the Board may from time to time deem necessary. Any two or more offices may be held by the same person, but no individual may act in more than one capacity where action of two or more officers is required.

Section 2. The officers of the Association shall be elected or appointed annually by the Board of Directors, and each shall hold office for one (1) year unless he shall sooner die, resign, or be removed, or otherwise disqualified to serve. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 3. Any officer may be removed from office by the Board with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignations shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. A vacancy in any office may be filled in the manner prescribed for regular election or appointment. The officer elected or appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 5. The duties of the officers are as follows:

President

(a) The President shall be the chief executive officer of the corporation and shall perform such other duties as from time to time may be assigned to him by the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, promissory notes, deeds and other such similar documents; and shall, in general, perform all duties incident to the office of President. The President shall execute all amendments to the Declaration of Covenants, Conditions and By-Laws on behalf of the association.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as required by the Board. The Secretary shall also prepare, certify, and record all amendments to the Declaration of Covenants, Conditions, and By-Laws on behalf of the association.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual accounting of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XI

Indemnification of Officers and Directors

The Association shall indemnify any and all persons who may serve or whom have served at any time as directors or officers of the Association against any and all expenses, including amounts paid upon judgments, counsel fees and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a party, which may be asserted against them or any of them, by reason of being or having been directors or officers or a director or officer of the Association, except this indemnification shall not operate with respect to a director or officer or person who has been adjudged in any action, suit, or proceeding guilty of willful and intentional misconduct in the performance of his duties to the Association. Provided, however, that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The Association shall likewise indemnify any bonded professional management company for any of the above-mentioned expenses, when such expenses are incurred in the course of duties delegated by the Board of Directors,

The provisions hereof shall be in addition to and not exclusive of any and all other rights to which any director or officer may otherwise be entitled under any law, bylaw, agreement, vote of Association members or otherwise. In the event of death of the officer or director, the provisions hereof shall extend to his legal heirs, representative, successors and assigns. The foregoing rights shall be available whether or not such person or persons were in fact directors or officers at the time of incurring or becoming subject to such expenses, and whether or not the proceeding, claim, suit or action is based on matters which antedate the adoption of this Bylaw.

The invalidity or unenforceability of any provision of this Bylaw shall not affect the validity or enforceability of any other provision hereof.

ARTICLE XII

Corporate Seal

A corporate seal shall have engraved thereon the following:

CRISMARK HOMEOWNERS ASSOCIATION, INC.
A Nonprofit Corporation
S E A L
North Carolina

It shall remain in the custody of the Secretary and shall be by him affixed to all documents requiring the corporate seal for complete execution. An impression of the corporate seal is directed to be affixed to these Bylaws.

ARTICLE XIII
Books and Records

The books, records and papers of the Association shall at all times be subject to inspection by any Member during reasonable business hours. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member of the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV
Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV
Notice

Any notice required to be given by these Bylaws may be waived by the Person entitled thereto before or after the time stated therein. Unless otherwise provided, whenever a notice shall be required by these Bylaws, such notice shall be given in writing, and addressed to the person entitled thereto at his address as the same appears on the books of the Association, the time when such notice is mailed being deemed the time of the giving of such notice.

ARTICLE XVI
Amendments

These Bylaws and the Articles of Incorporation may be amended only at a regular or special meeting of the members by a vote of at least sixty-seven percent (67%) of the lot owners. Voting may be in person or by proxy. Provided, however, the provisions of Article IV, Section 1, Article VIII, Sections 1 and 2, and this Article XVI may not be amended without the consent in writing of Developer so long as Developer shall be the Owner of one or more Lots. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. For so long as there are Class B members, any amendments to the by-laws shall be subject to the right of the Department of Housing and Urban Development or Veterans Administration to veto said amendments.

ARTICLE XVII
Committees

An Architectural Committee, first appointed by the Developer, to undertake the responsibilities set forth in the Declaration concerning the approval of plans, site approval and other matters set forth in the Declaration, shall be appointed in the manner provided in the Declaration. At any meeting of members, other committees may be established for purposes consistent with the Declaration and these Bylaws.

ARTICLE XVIII
Assets: Purpose

No part of the income of the Association shall inure to the benefit of any officer, director or member of the Association; and upon the dissolution of the Association, the assets thereof shall, after all its liabilities and obligations have been discharged or adequate provisions made therefor, be distributed or conveyed to any association or associations organized for purposes similar to that of the Association, or to a government entity for maintenance.

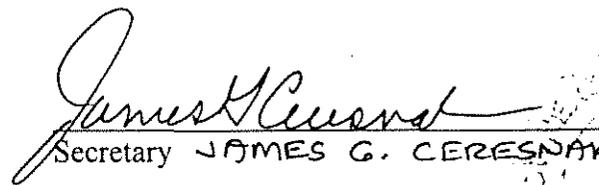
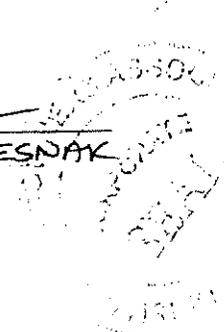
CERTIFICATION

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting Secretary of Crismark Homeowners Association, Inc., a North Carolina Nonprofit Corporation, and

THAT, the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the initial Board of Directors thereof, held on the 14th day of June, 2002.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this 13th day of AUGUST, 2002.


 Secretary JAMES G. CERESNAK


CRISMARK HOMEOWNER'S ARCHITECTURAL DESIGN GUIDELINES FOR RESIDENCES

The purpose of the Architectural Planning Criteria is to establish a minimum standard of quality for the Crismark neighborhood. By maintaining the architectural integrity of the community, the highest land values and market share will also be maintained. It is the goal of Crismark to promote the highest quality by preserving the beauty, quality and value of the neighborhood. In order to promote the neighborhood aesthetic, these guidelines & restrictions to clarify the Architectural Planning Criteria have been developed. These guidelines are for homeowners. Builders should refer to the CCR's which address restrictions for building and construction. Improvements made by a builder on a model home, construction trailer, etc. are temporary and may not comply with set guidelines for homeowners.

These guidelines are binding as part of the Declaration of Covenants, Conditions and Restrictions (CCR's) for Crismark and clarification of the Architectural Planning Criteria. Violation of these guidelines may result in removal of item(s) at homeowner's expense as well as fines and legal action. These guidelines will be reviewed as they pertain to each home and each lot. Applications may be approved or denied based on specific circumstances. Any item **not** addressed within this document **MUST** be submitted for ARB approval. These guidelines may be denied by Indian Trail building codes. Follow procedures on ARB application and include survey and design drawings. Homeowners are responsible for any structure, fence, landscaping, or other items which are placed within the easements, as indicated on lot surveys. Items are placed at homeowner's risk and subject to removal if deemed necessary to access the easements. Failure to receive a copy of the full CCR's or Architectural Design Guidelines from a builder, agent, seller, or attorney upon closing **does not exempt homeowners from compliance** with both documents.

ARCHITECTURAL REVIEW BOARD (ARB)

The purpose of the ARB is to maintain high architectural integrity by monitoring architectural guidelines and compliance of homeowners with the guidelines to preserve the beauty, quality and value of the neighborhood. Homeowners are required to submit an ARB application for any modification of property in Crismark and receive approval **before proceeding**. If notification of approval or rejection is not received within 30 days **FROM THE DATE THE ARB RECEIVES THE COMPLETED APPLICATION** (not the date application was submitted), the homeowner may proceed with the project **IF** it is within the design guidelines contained in this document and the Crismark CCR's. Failure of the ARB or the Board to approve or disapprove does not imply the request meets the guidelines.

NECESSITY OF ARCHITECTURAL CONTROL

☛ The following items require ARB approval:

- **Fences** [see Guideline 1]
- **Decks and Patios** [see Guidelines 2 & 3]
- **Walls** (patio, landscaping and retaining) [see Guidelines 4 & 5]
- **Landscaping, Removal of trees** [see Guideline 6]
- **Landscaping structures** (pergolas, trellis, gazebo, etc.) [see Guideline 8]
- **Utility Fences** (partial fences to hide unsightly objects [see Guideline 9])
- **Permanent fire or gas structures** [see Guideline 10]
- **Outbuildings** (sheds/storage buildings, etc.) [see Guideline 11]
- **All play structures** [see Guideline 12]
- **Pools and Hot Tubs** [see Guidelines 13 & 14]
- **Rear porches, Screened porches, Sun Rooms** [see Guideline 15]
- **Driveway expansions or modifications** [see Guideline 16]
- **Change of exterior color** [see Guideline 17]
- **Change in roofing color or materials**[see Guideline 18]
- **Satellite Dishes mounted to the front or side of a home** [see Guideline 23]

- ☛ **The following items do NOT require ARB approval, but are required to adhere to the guidelines listed in this document. Failure to adhere to the guidelines may result in a violation, fine, and removal by homeowner**
- **Rear paths/walkways** [see Guideline 7]
 - **Irrigation systems** [See Guideline 21]
 - **Front Storm Doors** [see Guideline 19]
 - **Mailboxes** [see Guideline 20]

EXTERIOR MATERIALS: (includes structures, landscaping, walls, etc.)

These materials may be used for various exterior items. See specific guidelines for acceptable materials for each item.

Appropriate materials: Treated wood, aluminum or vinyl siding; Brick; Stone; Ornamental iron
Inappropriate Materials: Concrete block/cinderblock; Unfinished or untreated wood; Plywood or sheet siding; Wire fencing (chain link, chicken wire, mesh, etc.) Except for proper wire fencing used with split rail style fences (heavy gauge wiring); Sheet metal or any other unfinished metal

1) FENCES/WALLS (Require ARB approval)

- a) All fences should be constructed with the “good side” of the fence facing outward
- b) Appropriate Materials:
 - i) Treated Wood
 - ii) Decorative/Ornamental Aluminum
 - iii) Brick Columns (Should match the brick used in the foundation or on home)
 - iv) Hedges, shrubs, bushes, trees
 - v) Stucco Columns
- c) Inappropriate Materials:
 - i) Vinyl
 - ii) Chain Link
 - iii) Wire-Only
 - iv) Temporary fencing
 - v) Untreated or Painted wood
- d) Appropriate Styles:
 - i) All fences should be 4 feet in height**
 - ii) Picket Fences
 - (1) must have decorative top (scalloped, concave, convex curve or decorative board)
 - (2) may use 3-5 inch width boards only
 - (3) Must have 1 ½ -2 inch gap between vertical boards**
 - iii) Split Rail
 - (1) 3-rail flat board fence with ornamental posts (may use heavy duty wire backing)
 - (2) 3-rail split rail fence (may use heavy duty wire backing)
 - iv) Ornamental metal picket or other ornamental metal designs
 - v) Combination of brick, acceptable metal fencing materials and/or stucco
 - vi) Any hedge, shrub, bush, tree must be maintained at 4 feet in height**
- e) Inappropriate Styles:
 - i) Privacy fences (includes any fence with less than 1 ½” gap between pickets or boards).
 - ii) Fences taller or shorter than 48 inches (4 feet)
 - iii) Any hedge, shrub, bush or tree, etc. taller than 4 feet in height
 - iv) Pre-manufactured sectional or panel fences which do not have a continuous linear upper edge after installation

- f) Appropriate Colors:
 - i) Wood – Natural or lite brown stain only
 - ii) Ornamental metal fences - black or white only
 - iii) Brick - Should match the brick used in the foundation or on home
 - iv) Stucco - Should be consistent with colors in home and must be submitted to ARB for approval
- g) Appropriate Placement:
 - i) Placement of fence should be appropriate for the lot size, lot location (ex: cul-de-sac, corner, area of high exposure, etc.) dimensions of lot, and location of home upon lot
 - ii) Placement will be evaluated by ARB on a case-by-case basis

2) DECKS (Require ARB approval)

- a) Appropriate Materials: Wooden deck boards or simulated wooden deck boards (i.e.: Trek)
- b) Appropriate Size/Location (Reviewed on case-by-case basis):
 - i) Deck should not cover more than 50% of the rear yard
 - ii) Deck edge should not extend closer than 5 feet from the rear corners of the home
 - iii) Deck should be 10 feet or more from the side and rear edges of property line
 - iv) Deck should not be seen from the front of the house
- c) Decks may be natural or light brown stain only
- d) Maintenance: Decks should be properly maintained to prevent warping, excessive fading, or other deteriorating conditions which would reduce the aesthetic appearance of the deck or reduce integrity of deck structure

3) PATIOS (Require ARB approval)

- a) Appropriate Materials: concrete, stone, brick
- b) Appropriate Design: Design should be appropriate for lot size, size of patio, position of home on lot, position of patio, and other factors and will be reviewed on a case by case basis
- c) Extending an existing patio of temporary materials (ex: pavers, stone) does not require ARB approval if size is not increased by more than 20%. Larger or permanent patio extensions require ARB approval

4) PATIO WALLS (Require ARB approval)

- a) Patio walls may be constructed in the rear portion of a lot to beautify the landscape, enhance a patio, provide privacy, conceal items such as a grill, or other purposes.
- b) Patio walls should be constructed of stone or brick and are subject to approval by the ARB
- c) Patio walls should not exceed the 4 feet height limit for fences

5) RETAINING WALLS (Require ARB approval)

- a) Retaining wall location, height, etc. will be reviewed on a case by case basis
- b) Appropriate materials: landscape timbers, stone, brick, rock

6) LANDSCAPING

Homeowners are encouraged to landscape their yards to maintain and enrich the beauty of the neighborhood. Planting shrubs, flowers and other natural vegetation in existing planting beds does not need ARB approval, but homeowners are required to adhere to the guidelines below. **Creating new planting beds and grading do require ARB approval.**

- a) Lawns
 - i) Homeowners are required to establish and maintain a lawn of grass in all appropriate areas (front and rear) which is free of weeds and overgrowth
 - ii) Homeowners are required to maintain their lawns and keep them properly trimmed
- b) Shrubs/Plants/Flowers:
 - i) Shrubs should be appropriately maintained and contained within the homeowner's property
 - ii) Landscaping near sidewalks should not encroach upon sidewalk

- iii) Corner lots should not have plantings with potential growth between 2-6 feet above the roadway, within a 35 feet triangle at the corner, which could restrict sight distances at intersections
- iv) No artificial grass, plants, flowers or other artificial vegetation may be used on the exterior of any home or upon the property, with the exception of temporary holiday decorations
- v) Any addition of new planting beds require ARB approval
- c) **Trees:**
 - i) Homeowner is required to keep at least one tree per front yard
 - ii) Removal of any living tree requires ARB approval if tree is 2 inches in diameter at one foot above ground
 - iii) Homeowners should incorporate existing trees and shrubs to every extent possible into landscaping plan
 - iv) Planting of trees does not require ARB approval, however, keep in mind **privacy walls/fencing are not permitted**. This includes trees intended for privacy screening. Between the trees there must be a 2 foot gap from the widest point (not from the trunk) maintained at all times when higher than 4ft.
 - v) Tree planting should take into consideration the property lines and utilities
 - vi) Front yard planting of trees should not restrict views of traffic in and out of driveways (see corner lot guidelines below)
- d) **Mulch**
 - i) Plant beds should be maintained to prevent overgrown appearance
 - ii) Appropriate materials: Pine bark, pine straw, synthetic mulch, pebbles, stone
 - iii) Inappropriate materials: Sea shells, exposed plastic or landscaping fabric
- e) **Grading/Drainage:** Homeowners may not alter or place any structure, planting or other material upon their property which changes the direction or flow of drainage or channels without prior approval of the ARB.
- f) **Landscape Borders**
 - i) Appropriate materials: solid brick, landscape timbers, stone, landscape edging, landscape wood, decorative metal edging, and other natural materials
 - ii) Inappropriate materials: plastic or vinyl exposed edging
- g) **Landscape Lighting**
 - i) Exterior lights shall use bulbs of 75 watts or less
 - ii) All lighting should be placed at ground level and should not shine at neighboring properties
- h) **Landscape Statues:** Statues, including bird sanctuaries, bird baths, etc. should be located in the rear of the yard with the exception of one monochromatic statue which may be located in the front portion of the yard; Excessive or oversized statues may be requested to be removed by the ARB

7) **WALKWAYS/PATHS**

- a) Landscaping paths and/or walkways **in the rear** of the home do not require ARB approval
- b) Front walkways leading to the rear of the yard DO require ARB approval
- c) Removing, changing, or adding front yard walkways (to the driveway, street, sidewalk, etc.) DO require ARB approval and will be evaluated on a case by case basis
- d) Appropriate materials include: stone, brick, mulch, concrete, or pebbles
- e) Paths/walkways should be 5 feet or more from the side and rear edges of property line, except where path is needed to meet with an existing gate

8) **LANDSCAPING STRUCTURES/FEATURES** (Require ARB approval)

- a) Includes: Pergola, Trellis, Gazebo, Arbor, Awning, Water Features or any other permanent structures
- b) Pergolas, trellis, gazebo, arbor, pond, waterfalls or other landscaping structures should be 5 feet or more from the side and rear edges of the property line
- c) Appropriate materials: Treated wood, decorative metal, brick, stone, approved canvas (awnings only), or other approved materials
- d) Appropriate colors: Wood-natural or lite brown stain; Metal-black, brown, white

9) UTILITY FENCES (Require ARB approval)

(To hide unsightly objects such as trash cans, AC units, and utility boxes located on a home or other outdoor items such as lawn mowers or garden supplies)

- a) Fence should have at least two sides and be "L" shaped
- b) One side should join the home unless used for utility boxes in front portion of the yard
- c) Fence material, style, design, height & color should be consistent with those listed in Guideline 1 (Fences) and evaluated on a case by case basis

10) OUTDOOR FIREPLACES, PERMANENT GRILLS, FIRE PIT (Require ARB approval)

- a) Homeowner is reminded to obtain approval for any permanent fire or gas structure or area through county and/or city permits
- b) Homeowner should submit desired structure or area to ARB for approval Placement of structure on property will be evaluated on a case by case basis

11) OUTBUILDINGS (storage buildings, tool sheds, etc.) (Require ARB approval)

- a) Color, materials and style (including roof architecture) used on the exterior of outbuildings must consistent with the color, materials and style of the home
- b) Required size of building/shed for lots < 10,000 sq. ft. is 64 sq. ft. – 100 sq. ft.; for lots >= 10,000 sq. ft. 64 sq. ft. – 150 sq. ft.; Maximum Height: 12 ft. (floor to roof peak)
- c) All buildings must be on a permanent foundation, which would consist of permanent footers or concrete blocks; All footings of a building should be screened with plantings/landscaping
- d) All buildings must be located behind the rear line of the home and placement will be evaluated on a case by case basis
- e) Homeowners are reminded to obtain proper building permits
- f) Outbuildings should be constructed of highest quality materials, with the highest craftsmanship, and be or appear to be professionally built
- g) Doghouses should be in a location which is consistent with the landscaping design of the yard and unseen from the front of the home
- h) Greenhouse plans should be submitted to ARB and will be reviewed on a case by case basis

12) PLAY STRUCTURES (Require ARB approval)

- a) Appropriate Location/Height:
 - i) All play structures, platforms, play houses, etc. should be on the rear part of the homeowners lot, preferably unseen from the front of the home
 - ii) Corner lots should locate play structures on the inside corner of their lot
 - iii) No play structure should exceed 15 feet
- b) Play sets
 - i) Wooden play sets are allowed
 - ii) Metal play sets are **not** allowed
- c) Trampolines (including any existing trampoline) should be unseen from the front of the home. Corner lots should locate trampolines on the inside corner of their lot (Note: trampolines do not require ARB approval).
- d) Basketball Goals
 - i) Permanent basketball goals must be located at the rear of the home or on the inside portion of corner lots and must be approved by the ARB before installation
 - ii) Temporary basketball goals must be kept on homeowner's property
 - iii) Basketball goals are not allowed within the right-of-way of any street
- e) Tennis Courts/Backboard: Size & location will be reviewed by ARB on a case by case basis
- f) Tree Houses or Tree Play Platforms
 - i) Must not alter integrity of tree
 - ii) Construction must be of highest quality
 - iii) Structures must be located in the rear of the home and unseen from the front of the home

- g) Play Houses (will be considered an outbuilding for review purposes)
 - i) Must match the color and building materials of the home
 - ii) Construction must be of highest quality
- h) Any item not included in the list above requires ARB approval

13) POOLS (Require ARB approval)

- a) Homeowners **must** obtain proper permits from county/city offices
- b) Pool should not be visible from the front of the home to every extent possible
- c) The ARB recommends that pools have fencing around the exterior edge, with the gates closed and/or locked at all times for the safety of all children in the neighborhood
- d) Pool fencing and screening must not extend closer than four feet from the line aligned with the side walls of the home and must meet fencing guidelines (Guideline 1).
- e) Outside edge of any pool wall may not be closer than 8 feet to a line extended from the sides of the home
- f) Lighting for pool should not shine on neighboring yards or homes

14) HOT TUBS (Require ARB approval)

- a) Hot tubs should have proper screening, which could include: landscaping, decking, or fencing around edge facing neighboring lots or roads (corner lots)
- b) Hot tubs should not be visible from the front of the house
- c) Hot tubs should not be closer than 5 feet from the rear corners of the home

15) REAR PORCHES / SCREENED PORCHES / SUN ROOMS (Require ARB approval)

- a) Homeowner is reminded to obtain necessary building permits prior to submitting plans to ARB
- b) Must be on a permanent foundation
- c) Design must be consistent with the overall style, building materials and color scheme of the house
- d) Trim color should match the trim color of the home; vinyl siding should match the siding on the home
- e) No window or wall a/c or heating units are permitted in any room, including porches, sunrooms, & garages.

16) DRIVEWAYS (Changes or additions require ARB approval)

- a) Any driveway expansion or addition should be approved by the ARB
- b) Driveways may not be painted
- c) Driveway placement should allow an appropriate greenway between driveway and neighboring driveway to ensure beauty of neighborhood and promote adequate drainage from both lots
- d) Driveway may not protrude beyond of the sides of the home unless approved by ARB
- e) Driveway must be maintained in good condition and repair
- f) Driveways may be constructed of concrete, brick or brick pavers
- g) Earth, asphalt or gravel driveways are not permitted

17) EXTERIOR COLORS (Change requires ARB approval)

- a) The Board shall have final approval of all exterior color plans and each owner must submit any changes in color for review prior to changes being made, including walls, roof, shutters, trim, etc.
- b) Adjacent homes (beside and across the street) may not have the same home color
- a) Colors must be consistent with the neighborhood and the overall color scheme of Crismark

18) ROOFING (Change in color, style or material requires ARB approval)

- a) Flat and built-up roofs are not permitted
- b) Roofs of the dwelling should have a pitch of 6 to 12 or greater
- c) Post construction sky lights should not be placed on the front or side elevation or any other elevation where it can be seen from the street
- d) Solar panels should not be placed on the front or side elevation or any other elevation where it can be seen from the street

19) STORM DOORS

- a) Storm doors installed on front or rear exterior doors should be of highest quality and do not require ARB approval (except for wooden)
- b) Color and materials of storm door should match and be consistent with the color scheme of the home
- c) Full length storm doors with full glass/screen only are allowed
- d) Wooden (*see below) and unfinished metal doors are not allowed
- e) High quality finished wooden storm doors should be submitted to the ARB
- f) Doors which do not meet the above criteria will be removed at the request of the ARB

20) MAILBOXES

- a) Damaged mailboxes should be repaired or replaced and do not require ARB approval
- b) Mailboxes should remain consistent in design, size, color, etc. with neighborhood

21) IRRIGATION SYSTEMS

- a) Irrigation systems should not spray onto the sidewalks or street between the hours of 6:00 am and 12:00 midnight
- b) Irrigation systems do not require ARB approval

22) TRASH CANS / DEBRIS

- a) Trash, garbage and other waste should be kept in sanitary containers
- b) Garbage cans should be kept within an enclosure or screened by adequate planting so that it is not visible from the street (ex: Utility fences, garage, hedges, etc.)
- c) On pick-up day, trash cans should be placed at the curb, without blocking passage on sidewalks
- d) Garbage cans should be removed from view by the end of the day of trash pick up
- e) Homeowner should keep entire lot free of refuse piles, debris and other trash

23) TV ANTENNAS / SATELITE DISHES

- a) Dish may not exceed one meter in diameter and should not be visible from the front of the home whenever possible
 - Dish may be freestanding or mounted on the front or sides of the home which requires a statement from service provider indicating the proposed location is the **ONLY** location available for reception. A freestanding dish must be screened from view from the front with landscaping or other means whenever possible
- b) Freestanding (not mounted to home) radio or TV towers or antenna are not permitted

24) PARKING / DRIVING

- a) In order to maintain safety for our homeowners and children, the posted speed limit of **25 mph** or less should be maintained on **ALL roads** in the Crismark neighborhood
- b) Parking should be limited to one side of the street only (either side is acceptable, but two cars should not be parked on opposite sides of the street). **Hemby Bridge Fire Station strongly recommends this approach so that fire trucks have access to all homes.**
- c) No parking in yards.
- d) As much as possible, cars should be parked in driveways on a consistent basis, rather than on the street
- e) To the greatest extent possible, cars should not block sidewalks when parked

25) MAINTENANCE

- a) Exterior maintenance, upkeep and repair to the home, fence, driveways, walkways, buildings, patios, decks, etc. is the responsibility of the homeowner
- b) Yards, grounds, shrubbery and trees should be maintained in a neat and trim condition and free of weeds, underbrush, dead plants, or other unsightly growths
- c) Fences should be maintained to prevent rusting, warping, and rotting
- d) Homes should remain clean and free of mildew
- e) Home trim, shutters, doors, windows, outbuildings, etc. should not show evidence of chipping or peeling paint
- f) Any evidence of the above home conditions should be repaired

26) ITEMS NOT ALLOWED IN CRISMARK NEIGHBORHOOD

(This list is not meant to be all inclusive. Items not listed below will be decided on a case by case basis)

- a) Carports
- b) Exterior stairs to 2nd floor
- c) Above ground pools
- d) Clotheslines
- e) Window or wall mounted air conditioning or heating units
- f) Signs (except "For Sale or Lease")
- g) Any artificial rock, plant, or flowers including artificial utility and well covers
- h) Any other item which is considered inappropriate or does not enrich the neighborhood may need to be removed at the request of the ARB
- i) The following items may not be parked on a driveway or within the property for more than 12 hours or overnight:
 - Boats, Tractor Trailers, Trailers, Campers, RV's, ATV's (All-Terrain Vehicles)
 - Airplanes, Buses, Lawn equipment, unregistered or junk vehicles
 - Commercial vehicles (includes, but not limited to vehicles with **any** of the following: commercial license plates, 3 or more axles, exposed tools, equipment, parts, ladders, commercial lettering, etc.)

27) ANIMALS/PETS

- a) Household pets only are permitted (dogs & cats)
- b) **Pit Bulls are prohibited**
- c) No livestock, poultry, or other animal of any kind shall be raised, bred, pastured or maintained on any lot
- d) Pets may not be used for any commercial use or purpose
- e) No more than 2 pets over the age of 6 months which stay primarily outside the residence are allowed
- f) Other animals, which are deemed to be undesirable, a nuisance or safety hazard, or other factors, such as size, breed and disposition of the animal, may be required to be removed from the property
- g) All pets shall be kept exclusively upon homeowners' lot and not permitted to wander the neighborhood
- h) Pet may be off the owner's lot if it is under the control of a capable person and is **restrained by a chain, leash** or other means of adequate physical control
- i) **Owners are responsible for cleaning up after their pet on the property of other homeowners and the common areas**
- j) No animal cages, kennels, fences, etc. are permitted on any lot or common area

919 Norland Road
Charlotte NC 28205

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Charlotte NC 28205

Description	Acct Number	ANNUAL BUDGET
OPERATING INCOME		
ASSESSMENT AND FEE INCOME		
Association Assessment	4500	270,351
Swim Team Income	4565	2,000

NET ASSOCIATION INCOME		272,351
OTHER INCOME		
Clubhouse Income	5705	2,300

TOTAL OTHER INCOME		2,300
RES trans from OP	7000	(5,000)

TOTAL OPERATING INCOME		269,651
OPERATING EXPENSES		
COMMUNITY FUNCTIONS		
Community Functions for Residents	6110	10,000
Newsletter Printing & Distribution	6112	1,440
Website	6113	1,152
Pool Committee	6121	2,000

TOTAL COMMUNITY FUNCTIONS		14,592
BUILDING MAINTENANCE & REPAIRS		
Exterior Repair	6228	2,000
Keys	6232	750
Sidewalk Repair and Installation	6234	2,500
Common Area Maintenance	6235	3,000
Plumbing - Rprs/Maint	6250	500
Street Signs	6270	500

TOTAL MAINTENANCE & REPAIRS		9,250
PEST CONTROL		
Pest Contract	6272	440

TOTAL PEST CONTROL		440
PROFESSIONAL SERVICES		
Administrative Fees	6301	3,000
Management Fee		58,470
Legal Fees	6303	8,000
Professional Fees	6305	3,350

TOTAL PROFESSIONAL SERVICES		72,820
LANDSCAPE		
Landscape - Contract	6311	45,444
Landscape - Irrigation Equip/Repairs	6313	4,000
Landscape - Maintenance & Miscellaneous	6316	3,000

919 Norland Road
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Description	Acct Number	ANNUAL BUDGET
TOTAL LANDSCAPE		----- 52,444
TAXES		
Property Taxes	6322	500 -----
TOTAL TAXES		500
POOL		
Pool - Security Equipment	6328	3,000
Pool - Security Contract	6329	3,000
Pool - Contract	6331	58,900
Pool - Repairs	6334	4,500
Pool - Supplies	6335	2,400
Pool - Permit	6336	825
Pool - Phone	6337	1,600
Pool - Furniture/Accessories	6338	5,000 -----
TOTAL POOL		79,225
CLUBHOUSE		
Clubhouse Janitorial	6353	1,200
Clubhouse Supplies	6353-1	500
Clubhouse Furniture	6359	5,000
Clubhouse Improvements Not capital Impro	6385	910 -----
TOTAL CLUBHOUSE		7,610
OFFICE EXPENSE		
Postage and Supplies	6372	6,000 -----
TOTAL OFFICE EXPENSE		6,000
INSURANCE		
Ins Premiums	6381	3,270 -----
TOTAL INSURANCE		3,270
UTILITIES		
Electricity	6402	10,000
Water & Sewer	6404	3,500 -----
TOTAL UTILITIES		13,500 ----- -----

919 Norland Road
Charlotte NC 28205

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Charlotte NC 28205

Description	Acct Number	ANNUAL BUDGET
TOTAL OPERATING EXPENSES		259,651
NET OPERATING INCOME/LOSS		10,000
Loan Payable	2205	10,000
CASH FLOW		
Cash Flow from Operations		0
RESERVE BUDGET		
RES trans from OP - Special Misc. Reserv	7000 115	5,000
TOTAL RESERVE INCOME		5,000
RESERVE INCOME/LOSS		5,000