General Applicability and Violations

The Cades Cove Board of Directors approved the Rules and Regulations listed below on December 4, 2017. These rules and regulations are consistent with those outlined in the Cades Cove Bylaws and Declaration of Covenants, Conditions and Restrictions (CCR).

Additional or supplementary Rules and Regulations may be promulgated and amended from time to time by the Board of Directors or the Association, as provided for Article VII, Section 1 Powers, Subsection (a), in the Cades Cove Bylaws.

Definitions

'Association' shall mean the Cades Cove Homeowners' Association, Inc.

'Lot' shall mean any lot, regardless if there is a residence on the lot.

'Board' shall mean the Cades Cove Board of Directors.

'Owner' shall mean the property or Lot owner on record with the Association.

'Declaration' shall mean the Cades Cove Covenants, Conditions and Restrictions (CCR).

'Governing Documents' shall mean the Cades Cove Articles of Incorporation, Bylaws, CCRs, and the Design Guidelines.

Rule 1 – Political Signs

Political signs are prohibited anywhere in Cades Cove per NC Statute 47F-3-121.

Rule 2 – Common Areas (CCR I)

All Owners, Tenants, and/or Guests shall follow all rules related to HOA 'Common Areas'.

Common Area(s) are defined as all real property and/or easements to be owned by the Association for the common use and enjoyment of the Owners. Common Area(s) includes any and all of those certain portions of the Properties labeled as Common Area(s), Pool, Park, Wetlands, and Alleyways on the recorded plat(s) and all rights of way shown thereon (except for public rights of way) and any drainage facilities located within drainage easement areas and any open space for the common use and enjoyment of the Owners.

Rule 3 – Property Rights (CCR II)

Owners & Tenants

(3.1). Use of Common Area amenities is limited to Owners or Tenants and their Guests. An Owner who leases their property to a Tenant relinquishes their rights to the use of Common Area amenities (pool, pond). In no case may the Owner and the Tenant both use Common Area amenities;

(3.22). Lot Owners are responsible for providing the Association with lease information (start/end dates), Tenant contact information and for providing their Tenants with a copy of the CCRs and Design Guidelines of the Association;

(3.2a). No lease shall be for a period of less than 6 months;

(3.2b). Temporary rentals are not permitted;

(3.2c). Owners are responsible to forward a copy of any lease along with the email and phone number contact information for the Tenant to:
Priestley Management Co
P.O. Box 4408
Greensboro, NC 27404-4408
Attention: Cades Cove Property Manager

(3.2d). Tenants are responsible for reviewing the Association's CCR and Design Guidelines and abiding by the conditions and restrictions set forth within those documents; however, Owners are ultimately responsible for any violations by their Tenants.

Rule 4 – Easements (CCR III)

(4.1). The Association reserves for itself and it's designees, the non-exclusive right and easement, but not the obligation, to enter upon an Owner's Lot to maintain the yards of the Lot in a manner consistent with the directives of the Board of Directors (Board) in accordance with these rules and regulations and the Design Guidelines. Any expenses incurred for maintenance shall be billed to the Owner;

(4.2). Every Lot shall be subject to an easement for entry by the Association for the purpose of correcting any emergency condition which arises upon any Lot that endangers any building or portion of the Common Area. Such right may be exercised by the authorized agents of the Association, the Board, and by emergency personnel in the performance of their duties.

Rule 5 – Procedures for Impositions of Fines and Suspension of Rights (CCR V)

The Association shall have the right to suspend the voting and Common Area enjoyment rights of an Owner or his/her Tenant for any period during which any charges or assessments against his/her Lot remains unpaid, or for any infraction of the Association's published Rules and Regulations;

(5.1). The Association shall have the right to impose monetary fines for infraction of the Association's published Rules and Regulations;

(5.2). Before the voting and Common Area enjoyment rights of an Owner are suspended and before monetary fines are imposed, a hearing shall be held before the Board:

(5.2a). The Lot Owner charged shall be given notice of the violation or delinquency, opportunity to be heard and to present evidence, and notice of the Board's decision;

(5.2a1). The Association shall send the Owner written notice of the alleged violation(s) or delinquency, of the opportunity to be heard, and the date and time of the hearing which shall be at least ten (10) days after the date that the notice is sent;

(5.2a2). The notice shall be sent by regular first class mail to the most current address of record on file for the Owner at the time of the notice;

(5.2a3). The Owner, or his or her legal representative, shall have the right to appear at the date, time, and place scheduled for the hearing, and to present evidence and argument on the matter. If the Owner or his or her representative is unable to appear in person at the scheduled date and time, upon written request, the hearing may be conducted by a feasible form of telecommunications at the same date and time. A reasonable extension of time may be granted should the Owner show good cause for the inability to appear at the originally scheduled time;

(5.2a4). If the Lot Owner does not appear for the hearing without having obtained an extension of time to a later date and time, he or she shall be deemed to have forever waived and forfeited the right to appear and be heard, and the matter shall be decided based upon the evidence in the possession of the Board regarding the matter as of the hearing date;

(5.2a5). The Association shall send written notice of the hearing decision by first class mail to the most current address on file for the responsible party;

(5.2a6). The Board of Director's decision on the matter shall contain notice of the potential consequence for repeat offences of the violation(s) or delinquencies, which shall serve as reasonable notice of the same, such that no further hearing or notice shall be given before fines and other consequences are imposed;

(5.2a7). The Board may, but is not required to, permit the Owner a reasonable time in which to cure the violation or delinquency before actually imposing fine(s) and/or privilege suspension(s) that would otherwise apply to the violation or delinquency (i.e., a 'grace period'). However, any decision to afford the Owner such a grace period in which to cure the violation or delinquency shall not be construed as or constitute a waiver of the Board's right to impose fine(s) and/or suspension(s) that would apply, should the Owner fail to cure the violation within the allotted grace period;

(5.2b). If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) per day or the maximum allowable by law may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurred;

(5.2b.1). Such fines shall be assessments secured by liens as provided in Article V, Section 8 of the CCRs;

(5.2b.2). Fines imposed as a result of a violation hearing shall be in addition to any other rights and remedies of the Association to recover damages to, and the costs of maintenance or repair of, Association property, common areas, or limited common areas, in accordance with the provisions of the Association's Governing Documents and the Rules and Regulations concerning responsibility for maintenance, upkeep, and damages.

(5.2b.3). If it is decided that the voting and enjoyment rights of an Owner shall be suspended, the suspension may be continued without further hearing until the violation or delinquency is cured.

Rule 6 – Architectural and Appearance Control (CCR VII)

Per the Cades Cove CCRs, Article VII, Section 1 – 'Should an Architectural Review Board (ARB) not be appointed, the Board of Directors may act in place of that Board.' For purposes of this document, the term Board/ARB is used where rules apply to architectural and design guidelines. On October 1st of 2017, the Board established an ARB Committee to assist the Board with ARB requests. The committee is tasked with the evaluation of ARB requests submitted through the website. After the committee evaluates the requests, they will make their recommendations to the Board. The Board has the final authority on the disposition of the requests.

(6.1). Any new construction, renovation or modifications must consistently adhere to the design character of the Cades Cove neighborhood, and phase within the neighborhood, as determined by the Board/ARB;

(6.2). Any new, original construction, site preparation or initial construction, erection, or installation of any improvements, or any changes thereto, including but not limited to, dwellings or other buildings, landscaping (including installation and removal), signs, fences, outside lighting, walls, screen enclosures, patios, walkways, antennas, excavations, or changes in grades shall not be undertaken on any Lot until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and location with respect to topography and finished ground elevation of the proposed improvements on the Lot shall have been submitted to and approved in writing by the Board/ARB;

(6.3). For existing homes, external renovation projects such as expansion, new decks, walkways, fencing, walls, or changes in color scheme require submission of the plans to the Board/ARB for review and approval;

(6.4). The Board/ARB shall be allowed (e.g., where a structural engineer and/or architect are required) to hire and charge a review fee for actual fees charged that may be associated with the submission of the package for review. Board members will be allowed to recover any out-of-pocket costs incurred as part of a review process;

(6.5). If a homeowner disputes the decision of the Board, he/she may submit a written appeal within 30 days of the Board's decision. The Board will conduct a hearing to review the decision within 30 days of receipt of an appeal. The decision of the Board shall be final;

(6.6). All requests shall be submitted to the Board/ARB via the ARB Change Request Form on the Cades Cove website including final plans, drawings, etc.;

(6.7). The Board/ARB shall render judgment in writing within 30 days to the homeowner. If outside consultation is necessary, the Board's response can be extended by an

additional 60 days. This judgment and plans will be retained as part of the Board's permanent records;

(6.8). For new construction or major additions, the Board has the right to request a bond be placed with the Association to cover any damages to roads, alleyways, irrigation systems, Common Areas, or adjacent properties;

(6.9). The approval of the Board shall be deemed withdrawn if construction on an approved project has not been commenced within 60 days of plan approval. If construction is not completed within 6 months of approval, the approval shall be deemed withdrawn and unfinished construction shall be deemed to be in violation of these rules. The Board may extend deadlines for good cause.

Rule 7 – Use Restrictions (CCR VIII)

Each Lot, as well as the Common Area, is subject to the governance, principles and decisions as communicated in the CCRs, Bylaws, and Design Guidelines and any and all future decisions made by the Board. The Board may levy fines as it sees fit if Lot owners are not in compliance.

New Construction

(7.1). Construction of the dwelling on a Lot must commence within one (1) year of the closing of the purchase of the Lot, and once commenced, construction shall be diligently and continuously pursued and shall be completed within six (6) months from the date of commencement of construction.

(7.1a). Lot owner is responsible for repairs to any road, alleyway, or landscaping (Common Area or adjoining property) damaged by their builder or contractors;

(7.1b). No residence shall be erected on less than one (1) Lot as shown on the recorded plat(s);

(7.1c). Any newly constructed home must fit into the character of the neighborhood and Cades Cove Phase where the home will be built;

(7.1d). Plans for a newly constructed home must be approved by the Board/ARB;

(7.1e). Lots may only be used for single-family residences. No residence may be more than 2 stories in height;

(7.1f). No residence may have a garage for more than 2 cars;

(7.1g). Only new homes may be constructed in Cades Cove. Moving an existing building into any Lot is prohibited.

Additions 8 1

(7.2). Any addition to an existing home must fit into the character of the neighborhood and Phase where the addition will be added.

<u>Signs</u>

(7.3). No sign deemed by the Association to be a nuisance to the Properties shall be permitted to be erected or to remain on any Lot, unless otherwise required by law. All signs in violation of this Rule are subject to removal without notice.

(7.3a). Only 'For Sale' or 'For Lease' signs designed and provided by the Association may be used in Cades Cove. The Board shall rent these signs to the resident for a nominal (non-refundable) fee;

(7.3b). Security, Invisible Fence and Privacy signs are permitted but the size must not exceed 10" by 12". Any exceptions require Board approval;

(7.3c). Signs advertising HOA-sponsored yard sales or other community events may be posted 24-hours in advance of the event and must be removed immediately after the event;

(7.3d). Any other proposed sign usage must be reviewed and approved by the Board.

Exposed Tanks

(7.4). No exposed above-ground tanks except for outdoor grills, hot tubs and Boardapproved 'rain catchers' shall be permitted. Developer-built homes with propone tanks are exempt from this rule. No new installations of above-ground propone tanks are permitted.

Accessory Building

(7.5). Accessory buildings are discouraged and require the approval of the Board, who will review the plans, the lot's size and configuration and consider feedback from adjoining neighbors.

(7.5a). Any Board-approved accessory building must be of compatible character for the neighborhood. Colors and roofing must match the home. Any required local permits must be secured and clearly posted;

(7.5b). Accessory buildings must not be used for any activity that will disturb adjoining neighbors or have high noise levels.

Tent/Event Canopy

(7.6). No structure of a temporary character (tent, event canopy or other temporary structure) shall be used at any time as a dwelling unit. Temporary structures may only be erected for a duration not to exceed 24 hours.

<u>Trailer</u>

(7.7). Any trailer (utility, recreational) must be stored in a fenced area so as to not be visible from any street, alleyway, or adjoining property.

Boats/Personal Watercraft

(7.8). Small boats, kayaks, canoes or other personal watercraft must be stored in a garage or fenced area so as to not be visible from any street, alleyway, or adjoining property.

Fencing

(7.9). No fencing may be erected nearer the front property line than the back wall of the single-family dwelling with the exception of picket fences grandfathered in Phase 1. No new uses are allowed.

(7.9a). Chain link fencing shall not be permitted;

(7.9b). Decorative fencing of good quality may be erected, but the quality, style, color and location of said fencing must be as specified in the Design Guidelines;

(7.9c). All fencing must be maintained in a good state of repair;

(7.9d). All wood fencing must be treated, painted or stained per Design Guidelines;

(7.9e). The Board reserves the right to enforce the maintenance of all fencing and assess properties and file liens as necessary.

Lot Appearance

(7.10). Each Owner shall keep his/her Lot free of tall grass, undergrowth, dead trees, trash and rubbish and shall maintain his/her Lot so as to present a pleasing appearance. In the event an Owner does not properly maintain his/her Lot as in the opinion of Board, the Association may have the required work done and the costs thus incurred shall be paid by the Owner and treated as a direct assessment in accordance with Article V, Section 5 of the Cades Cove CCRs.

(7.10a). The walkways in front of the Lot and the entrance way to the Lot shall not be obstructed. No bicycles, skateboards, rollerblades, scooters, or similar recreational items are permitted on pedestrian walkways or in Common Areas;

(7.10b). All decks and porches shall be kept free of any unsightly articles. Towels, linens, any articles of clothing, or other items inappropriate for display or storage on or around decks or porches, shall not be permitted to hang on deck or porch railings and shall not otherwise be left or displayed on decks or porches in a manner visible from the deck, porch or any adjoining Lot.

(7.10c). Exterior Decorations

(7.10c.1). General Rule. The exterior of dwellings may be decorated with items such as wreaths, flowerpots, plagues, lights, and decorative flags; however, all such items must be placed, displayed, or affixed around or upon the exterior in a manner and quantity that is reasonable and tasteful based upon prevailing community standards and norms for that type of decoration;

(7.10c.2) Temporary Decorations. Decorations intended to recognize a specific holiday or event may not be displayed any earlier than one month before the holiday or event or any later than one month after the holiday or event has ended, with the exception of decorations celebrating the traditional Christmas season, which may be displayed between November 15th and January 15th, though no earlier and no later;

(7.10c.3) National and State Flags. These Rules and Regulations do not regulate or otherwise prohibit a display of the flag of the United States or of North Carolina, so long as (i) the display is in accordance or consistent with the patriotic customs set forth in 4 U.S.C. §§ 5-10, (ii) the size of the flag does not exceed four feet by six feet, and (iii) it is displayed upon property exclusively owned by the property owner. This exemption for such flags does not apply to flags displayed upon or within common areas, easements, rights-of-way, or other areas owned by others, which are subject to regulation in a manner consistent with other items placed or encroaching upon or within such areas;

(7.10c.4) Flags/Flag Poles

To comply with an owner's rights under Federal law and North Carolina state law, the Board of Directors adopts the following rules to regulate the display of the U.S. flag, the North Carolina State flag, service flags, and other flags and banners:

(7.10c.4a) Owners may attach no more than two permanent or removable flagpoles to their residence;

(7.10c.4b) Attached flagpoles may not exceed two (2) inches in diameter;

(7.10c.4c) Attached flagpoles may not exceed six (6) feet in length;

(7.10c.4d) Any flag displayed on an attached flagpole may not exceed three (3) feet by five (5) feet;

(7.10c.4e) If noise created by a flagpole or flag is loud enough to disturb an owner's neighbors, the Board reserves the right to require the owner to remove the flagpole, replace it, or otherwise take any action necessary to eliminate the noise;

(7.10c.4f) To minimize light pollution of the night sky and prevent unwanted light shining into neighboring homes, flagpoles may not be lighted by a floodlight, spotlight or other excessive light source. If flagpole lighting is bright enough to disturb an owner's neighbors, the Board reserves the right to require the owner to take any action necessary to eliminate excessive light;

(7.10c.4g) Prohibited flagpoles include: freestanding flagpoles, roofmounted flagpoles and tree-mounted flagpoles;

(7.10c.4h) Political flags are prohibited.

(7.10c.5) Ordinances and Other Regulations. Various county and local ordinances regulate the use, size, type, placement, and/or number of signs, banners, flags, and similar publicly visible displays in, on, or around the exterior of residences. Those ordinances are available to the public on the websites and other public records of the Brunswick County government and the City of Southport. At any given time, the current version of those ordinances may impose additional and/or more restrictive conditions upon the use or display of such items on residential property. Therefore, compliance with these Rules and Regulations does not ensure compliance with those ordinances. The owner (or responsible Tenant) is responsible for ensuring compliance with the ordinances and for any fines or penalties resulting from a violation of the same.

(7.10d). Lawn Ornaments

Large lawn ornaments of an intrusive or offensive nature that are not in keeping with the character and architectural style of the neighborhood are discouraged in areas that are visible from the street. Residents are asked to limit their use of lawn ornaments. If any resident is concerned that their decorative lawn ornament plan might be viewed as excessive, they should submit an ARB Request in advance of installation.

(7.10e). Antennae

Any antennae or other structure designed for media reception or other purposes must be as least visible as possible while not interfering with reception.

(7.10e.1) Any satellite dish must be less than one (1) meter in size.

(7.10f). Windows & Doors

Each Owner or responsible Tenant is required to maintain his or her windows, doors, and garage doors in good condition and free of mold.

(7.10f.1). Exterior storm doors should be full panel glass not to obscure the design and color of the residence's door;

(7.10f.2) Garage doors should remain closed unless entering/leaving the residence or working in the garage area. In no case shall a garage door be left open overnight.

(7.10g). Shutters

Each Owner or responsible Tenant is required to maintain his or her shutters in good condition and free of mold.

(7.10g.1). Exterior house shutters must be installed per manufacturer's specifications and installed perpendicular to the window;

(7.10g.2). Exterior shutters should either be stained or painted. Changes from the original color require the approval of the Board/ARB;

(7.10g.3). Bahama shutters are permitted with Board/ARB approval;

(7.10g.4). Roll down or accordion hurricane shutters are permitted with Board/ARB approval only if they do not alter the appearance of the residence;

(7.10g.5). No exterior shutter, including Bahama or hurricane shutters, shall be left covering any window for more than a 48-hour period before or after a weather emergency.

(7.10h). Exterior Siding

Each Owner or responsible Tenant is required to maintain his or her exterior siding in good condition and free of mold.

(7.10i). Exterior Painting of Siding, Decks, Doors or Windows Except for maintenance of previously approved colors/stains, no Owner or responsible Tenant shall do any painting of the exterior of the Lot dwelling to include staining of decks, stairs, or changing the color of doors or windows without the prior written consent of the Board/ARB. Owners must complete and ARB Request Form on the website prior to painting exterior siding or doors.

(7.10j). Air Conditioning/Heating Units/Generators

No air conditioning/heating devices shall be attached or affixed to the exterior of any residence with the exception of units installed by the developer.

(7.10j.1). Window air conditioners/heating units are prohibited;

(7.10j.2). The installation of exterior generators must be approved by the Board and these units must be obscured from the view of adjoining properties by landscaping.

(7.10k). Trees/Shrubs/Grasses

(7.10k.1). For new construction, trees may be removed, where necessary, for the construction of driveways and dwellings or if located within six (6) feet of the foundation of the house or garage. All other trees and shrubs over six (6) inches in diameter (measured eighteen (18) inches from the surface of the ground) shall be retained unless their existence creates a hazard to the property and the Board/ARB gives its written consent to removal.

(7.10k.2). For existing homes, the removal or addition of trees not protected by County or municipal ordinances, is at the discretion of the homeowner. Homeowners are welcome to seek a consultation with the Board/ARB or Landscaping Committee if they would like additional feedback.

(7.10k.3). Trees in the Common Area are the responsibility of the Association. Should an individual lot owner remove a tree in the Common Area without the advanced approval of the Board/ARB they will be subject to a fine of up to \$1,000 and must replace the tree with one of equal size and value.

(7.10k.4). No trees, flowers or annual grasses shall be planted in Common Areas without the specific permission of the Board/ARB and Landscaping Committee.

(7.10l). Vents, Pipes & Appendages

No vents or other pipes or appendages may extend from the front of any dwelling, unless screened from public view by a screening material or shrubbery approved by the Board/ARB.

(7.10m). Outdoor Lighting

The Board/ARB must approve any and all outdoor lighting, including solar lighting. Holiday lighting is restricted to these dates only: 11/15 to 1/15.

(7.10n). Solar Panels

Solar panels shall not be visible from the front property lines of the single-family dwelling to the degree possible. In the case of a corner lot, solar panels shall not be visible from the side yard street unless approved by the Board/ARB. Solar tubes are permissible.

(7.10o). Outside Toilets

No outside toilet facility may be constructed or maintained on any Lot, except Port-o-Johns, shall be permitted during construction of improvements on any Lot, provided that such facilities are screened from view of the immediate neighbors and street.

(7.10p). Outside Showers

Outside showers must be screened from view of immediate neighbors and street.

(7.10q). Patios & Walkways

All patios and walkways shall consist of hardscape material (pavers, bricks, concrete, etc.). Gravel or other loose stones are not permitted.

(7.10r). Sidewalks

Owners and Tenants are responsible for keeping sidewalks free of plant/grass growth and debris. Owners and Tenants whose lots backup to alleyways are responsible for trimming plants and grasses off alleyway asphalt.

Noise Nuisance

(7.11). Use or discharge of any radio, loudspeaker, horn, whistle, bell or other sound device so as to be audible to occupants of other Lots shall be prohibited, except alarm devices used exclusively for security purposes.

(7.11a). Boom boxes, or music not played with personal earphones, are prohibited anywhere in the pool area. Exceptions can be requested by completing an online Pool Party Request Form;

(7.11b). Lot Owners should be respectful of their neighbors when they install wind chimes that can be heard on another resident's property. If wind chimes are loud enough to disturb an Owner's neighbors, the Board reserves the right to require the owner to take any action necessary to eliminate the noise;

(7.11c). Lot Owners should be respectful of their neighbors and restrict the volume level of radios, speakers and the like so as to be largely audible only in their own property.

(7.11d). Owners, or responsible Tenants, are also responsible for ensuring that they and their guests and invitees comply with any applicable county and local ordinances regulating noises or disturbances that may impose additional or more

restrictive regulations than these Rules and Regulations, and they are accordingly responsible for any penalties or fines resulting from a violation of the same.

Vehicles, Streets, and Parking

(7.12). The rules listed below are applicable to all Owners and Tenants in Cades Cove. Vehicles are defined as automobiles, ATVs, boats, golf carts, motorbikes, motorhomes, recreational vehicles (RV), trucks, and vans. Vehicles parked in violation of this Rule are subject to being towed, at the owner's expense, as follows: (1) for multiple instances of the same violation, after two written warnings concerning the same violation; and (2) for a single violation of a continuing nature, three days after notice of the violation to the Owner or Tenant.

(7.12a). Lot Owners' vehicular access to their Lots shall be via rear access through private alleyways in Phase I and II and front-facing garages in Phase III and IV;

(7.12b). Owners of Lots shall not be permitted to park their automobiles, ATVs, boats, golf carts, motorbikes, motorhomes, recreational vehicles (RV), trucks, or vans on private alleyways or on the Common Areas, including the Pool parking lot;

(7.12c). Owners of Lots and Tenants shall not be permitted to park their automobiles, ATVs, boats, golf carts, motorbikes, motorhomes, recreational vehicles (RV), trucks, and vans on the streets (public or private) in the development. However, designated parking spaces [indents] on the streets, may be used for automobile parking for Owners' guests;

(7.12d). In no instance, are boats, motor homes or other recreational vehicles permitted to park overnight on any street, alleyway, or driveway in Cades Cove;

(7.12d.1). Owners and Tenants are permitted to bring their boats, motor homes or other recreational vehicles, to their home for purposes of loading/unloading only;

(7.12d.2). In no case, are Owners or Tenants permitted to use motorhomes as guest quarters to their residence's living space;

(7.12d.3) Homeowners are permitted to submit a CCR Waiver Request to the Board of Directors via the Cades Cove website for overnight parking of campers, trailers or RV's for a period not to exceed 36 hours. The Board each year shall appoint one Director to review all waiver requests. That Director may request all Board members to comment when they feel the situation merits it.

(7.12e). In no instance are relatives or guests of Owners or Tenants permitted to park their boats, motorhomes or other recreational vehicles, on any street or driveway in Cades Cove;

(7.12e.1). In no instance are relatives or guests of Owners or Tenants permitted to park boats, motorhomes or other recreational vehicles overnight on any street, alleyway, or driveway in Cades Cove;

(7.12f). Owners and Tenants are responsible for ensuring compliance with (and for any penalties or fines resulting from a violation of) any applicable county and local ordinances regulating street use and/or parking that may impose additional or more restrictive regulations than these Rules and Regulations;

(7.12g). Owners of Lots shall not be permitted to park commercial vans or trucks displaying permanent or temporary identification signage, tractors, trailers, and all other similar property on the private alleyways or streets (public or private) in the development.

(7.12h). No Owner or Tenant shall park or store an inoperative or abandoned vehicle on any Lot or on the private alleyways or streets (public or private) in the development.

Hobbies and Activities

(7.13). The rules listed below are applicable to all Owners and Tenants in Cades Cove.

(7.13a). The assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any part of any Lot or Common Area;

(7.13b). The riding of minibikes, motorcycles, ATVs or other motorized vehicles on any Lot and/or Common Area is expressly forbidden;

(7.13c). No hunting or trapping shall be permitted except in circumstances posing an imminent threat to the safety of persons in Cades Cove and except as expressly permitted by the Board;

(7.13d). The discharge of any firearm, including BB and/or Air guns, is expressly prohibited within Cades Cove;

(7.13e). Owners and Tenants are not permitted to fly aerial drones on any residence other than their own property or on any of the Common Areas, including the pool and pond.

Yard Sales

(7.14). Only HOA-sponsored Yard/Garage sales are permitted in Cades Cove.

(7.14a). Owners and Tenants are not permitted to have individual Yard/Garage Sales.

Animals & Pets

(7.15). The rules listed below are applicable to all Owners and Tenants in Cades Cove.

(7.15a). Use of Properties. No stable, dog run, dog house, poultry house or yard or other similar structure shall be constructed or allowed to remain on any Lot, nor shall livestock of any nature or classification whatsoever be kept or maintained on any Lot;

(7.15b). Breeding. No breeding of pets is allowed;

(7.15c). Leash Laws & Animal Behavior. Pets must be either in a confined area, off-leash exclusively in their own yards or on a leash at all times outside of their yards. Pet control must be in compliance with Southport City and Brunswick County laws. Owners and Tenants may walk their pets on a leash on the streets and common grounds for exercise. Owners and Tenants must clean up after their pets, pick up promptly, minimize excrement in Common areas and properly dispose of animal waste and not leave it in Common Areas or adjacent property. Owners and Tenants must not allow their pets to walk in someone else' yard;

Prohibited Activities

(7.16). The rules listed below are applicable to all Owners and Tenants in Cades Cove.

(7.16a). Offensive Activities. Noxious and/or offensive activities shall not be carried on upon any Lot. Each Owner shall refrain from any act or use of his Lot, which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. Each Owner shall keep and maintain his Lot in a neat, orderly and well-kept manner;

(7.16b). Business Activities. No industry, business, trade, occupation, or profession of any type may be conducted within or on the premises of a residence, unless it (a) is clearly incidental to the residential use of the home and premises, (b) does not in any way alter the residential character of the home or premises, and (c) does not cause sights, sounds, smells, or other conditions that would constitute a disturbance or nuisance under the applicable nuisance regulations or when judged objectively from the perspective of a reasonable person. No display of products or signage advertising business services shall be visible from the street.

Trash/Recycle/Yard Waste Collection

(7.17). All trash, recycle and yard waste collection must confirm to the rules set by the City of Southport and Waste Industries.

(7.17a). Trash, recycle, and yard waste receptacles, containers and enclosures may not be out earlier than twelve (12) hours before pickup or no more than eight (8) hours after collection;

(7.17b). The designated location for all collection bin pickups shall be determined by the Board in conjunction with approval from Waste Industries;

(7.17c). All collection bins shall be stored either at the rear of the dwelling structure on a Lot, out of view from any street abutting the Lot, or in the Owner's garage;

(7.17d). Lots with front-facing garages must store their collection bins out of site from any street;

(7.17e). All trash and recycling material shall be put in the approved garbage (gray) or recycle (blue) containers;

(7.17e.1). Waste Industries will only pick up household trash and recycle if it is in the proper container (95-gallon roll out cart) provided by Waste Industries. Do not mix household trash with recycles and/or yard waste; do not mix one waste with any other waste;

(7.17f). Yard waste receptacles or bags must confirm to the rules and regulations set by the City of Southport and Waste Industries;

(7.17f.1). Yard waste must be placed in approved resident owned and maintained 95-gallon roll out cart with Waste Industries designated Yard Waste Decal or in biodegradable paper bags (no plastic bags of any type accepted) or in bundles securely tied in 5' lengths and a maximum of 50 lbs. in weight.

Pond & Irrigation Rules

(7.18). Pond and irrigation rules are established by the Pond & Irrigation Committee and approved by the Board of Directors. They are posted on the <u>cadescovesouthport.com</u> website.

(7.18a). Rules defined for pond use must be adhered to and violation of the rules may result in fines;

(6.18b). Rules defined for the use of the community irrigation must be adhered to and violation of the rules may result in fines and/or disconnection from the irrigation system.

Pool Rules

(7.19). Pool rules are established by the Pool Committee and approved by the Board of Directors. They are posted on the <u>cadescovesouthport.com</u> website. Pool rules must be obeyed and violation of the pool rules may result in suspension of pool privileges.

Rule 8 – Maintenance (CCR X)

The exterior maintenance of each Lot and other landscaping and improvements constructed upon each Lot shall be the duty of the Owner of each Lot and shall not normally be interfered with by the Association. Landscape standards are specifically enumerated in the Design Guidelines.

(8.1). The Association shall have the power to levy and collect direct assessments as specified in Article V, Section 5 of the Declaration, with respect to an Owner's maintenance of his/her Lot;

(8.1a). If an Owner does not maintain his/her lot, the Association may hire a contractor to perform the maintenance and bill the Owner for the services performed.

Rule 9 – Lease of Property (CCR XI)

Upon the lease of a property, the Owner of said property shall provide the Association with lease and contact information for all Lessees. Lessees (Tenants) must be provided with a copy of these Rules and Regulations and agree to abide by the Cades Cove Covenants, Conditions, and Restrictions (CCR). Failure to notify the Association is subject to daily fines as determined by the Board of Directors.

(9.1). In no case may an Owner lease any portion (any less than the entire residential structure plus garage) on his/her Lot;

(9.1a) Owners of residences with living quarters above the garage shall not lease this space unless it is included with the lease of the entire residential structure;

(9.2). Property owners are responsible for the actions of their tenants;

(9.3). When a property is leased to a Tenant, the Owner of the property transfers their right to the use of Common Area recreational facilities, i.e., pool, to the Tenant and is no longer entitled to use of those facilities. Property Owners must provide their Tenants with a pool key and a copy of the Cades Cove Pool Rules and Regulations. The property Owner is responsible for any violations and subject to the fines incurred by their Tenants;

(9.4). No property in Cades Cove may be leased to a commercial entity, including a builder for use as a model home, sales or maintenance office.

(9.5). No Owner shall use their residence as a Boarding or Rooming house.