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CINDY M OWNBEY

REGISTER OF DEEDS

BY: BETH C LANDRETH  
ASSISTANT

**BK: DOC 633**

**PG: 115-137**

STATE OF NORTH CAROLINA

COUNTY OF TRANSYLVANIA

**AMENDED AND RESTATED DECLARATION OF COVENANTS, RESTRICTIONS,  
EASEMENTS AND CONDITIONS FOR STRAUS PARK**

This Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park ("Amended Declaration") is made as of this 29<sup>th</sup> day of May, 2012 by and between the Straus Park Master Association, Inc.; the Owners of properties located within Straus Park as hereinafter defined; for the benefit of themselves and all future owners of those certain portions of the property within the bounds of the tract described in that deed recorded in Transylvania County Deed Book 417 at page 667, which portions are established in the manner set forth below to be defined as Straus Park, and any additional property which is lawfully annexed to Straus Park.

**RECITALS**

**WHEREAS, THIS AMENDED DECLARATION REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS WITHIN STRAUS PARK AS ALLOWED BY LAW AND AS MORE SPECIFICALLY DEFINED HEREIN; and**

WHEREAS, on December 31, 1997, Straus Park Development Company ("Declarant") recorded a set of covenants for Straus Park in Deed Book 426, beginning at Page 341, of the Transylvania County Registry ("Original Declaration"), creating therein a general scheme of development for a mixed use planned community located within the City of Brevard, North Carolina; and

WHEREAS, the Original Declaration was amended on October 26, 1998 in Deed Book 439, at Page 156, Transylvania County Registry and

WHEREAS in May, 2010 the Long Meadow acreage parcel, along with some other parcels within Straus Park, were acquired from the Straus Park Development Company through a fee simple conveyance deed with special restrictions and recorded on May 18, 2010 in Deed Book 537, at Page 679, of the Transylvania County Registry; and

WHEREAS, Article XII of the Original Declaration required a two thirds affirmative vote of all Owners as defined therein to amend the Original Declaration; and

WHEREAS, the Straus Park Master Association, Inc. is the master property owners association for Straus Park as set forth in the Original Declaration ("Master Association"); and

WHEREAS, the Master Association and Owners, are desirous of amending and restating the Original Declaration to update and improve said set of covenants affecting the use and enjoyment of properties within Straus Park; and

WHEREAS, on the 12<sup>th</sup> day of September, 2012, at a duly called meeting of the Master Association, more than sixty seven percent (67%) of the Owners of properties located within Straus Park consented to the adoption of this Amended Declaration;

NOW THEREFORE, in consideration of the foregoing, the following are hereby declared to be covenants that shall run with the Straus Park land, and shall bind, benefit, and burden all of Straus Park, to wit:

## I. DEFINITIONS

For the purposes of these Covenants except as the context may otherwise require the terms set forth below, as used in the Amended and Restated Declaration of Covenants, are defined as follows:

1.1 "Act" – The North Carolina Planned Community Act, Chapter 47F of the North Carolina General Statutes.

1.2 "Assessments" – The amounts assessed against the Owners, from time to time, by the Master Association, to enable it to operate Straus Park in accordance with the Declaration and pay for the Maintenance, Repair and Improvement thereof.

1.3 "Board" - The Board of Directors of the Association and the Executive Board referred to in the Act. Unless the context indicates otherwise, any act hereof by the Master Association may be taken by the Board on behalf of said association without the need for membership vote.

1.4 "Bylaws" – That document entitled "Bylaws" which is attached to the Declaration as Exhibit A thereto, to serve as the corporate bylaws of the Master Association, as the same may

be amended hereafter. Amendments to the Bylaws are not required to be recorded in the County Registry in order to be effective.

1.5 "Classification" (or "Classifications") – The designation on a Plat of a Lot within the following Neighborhoods of Straus Park: Mountain Park, Mountainside, Park Place, Southern Knoll, Straus Ridge, or Townhome.

1.6 "Classification Covenants" – Those covenants applicable to, and binding upon, all Lots in a single Classification, and which are attached to the Amended and Restated Declaration of Covenants as Exhibit B and correspond to the Market Street Lots, Mountain Park Homes Lots, Mountainside Homesite Lots, Park Place Lots and the Straus Ridge Condominium Rules and Regulations, as the same may be amended hereafter.

1.7 "Common Areas" – All real property owned or leased by the Master Association within Straus Park which is for the common use and enjoyment of Owners subject to the rules and regulations promulgated by the Board of Directors of said association. The lake, Lake House, tennis courts, pool, Long Meadow, nature trails, and perimeter buffer strip are all Common Areas, as well as any other so designated areas in an instrument of conveyance or lease. The Common Areas do not include public streets, Lots, or the Neighborhood Common Elements..

1.8 "Construction" – The physical disturbance of any Lot, or Common Area, including grading, excavation or other site preparation thereof, and the location, placement, erection, construction or replacement of any Structure, building, sign, fence, parking area, driveway, sports equipment, Landscaping, pools, gazebos, water features, outdoor lighting or trellis thereon.

1.9 "Declarant" - The original Declarant was Straus Park Development Company, a North Carolina corporation, as the developer of Straus Park. Said developer then assigned certain Declarant rights to the Master Association by warranty deed recorded in Deed Book 537, at Page 679, Transylvania County Registry.

1.10 "Declaration"- These Amended and Restated Declaration of Covenants of Straus Park.

1.11 "Design Manual" – The ECC Design Manual are the standards for Applications, Approvals, Construction Aspects, Policies and Procedures, July 2008 Edition, as set forth in the Straus Park ECC Design Manual which may be amended from time to time, as approved by the Master Association, which govern construction within Straus Park as set forth in Article VI below

1.12 "Director" (or "Directors") - Those persons elected by the members of the Master Association to serve on the Board as directors thereof, in the manner provided for in the Bylaws.

1.13, "ECC" - The Straus Park Environmental Control Committee, whose responsibilities include the approval of all construction applications within Straus Park pursuant to the Design Manual, the Declaration and Rules and Regulations. The ECC is a committee of the Master Association

whose members are appointed by the Board and whose general purpose is to keep Straus Park attractive for the enjoyment of the owners and to protect property values therein.

1.14 “Holder” (or “Holders”) – The holder of a note secured by a duly recorded deed of trust on a Lot, so long as such holder is a commercial lender, such as a bank, savings bank, credit union or insurance company.

1.15 “Lake House” – That structure known as the Lake House which borders Lake Straus (and all related facilities, including the furnishings thereof), as existing or improved or constructed hereafter, which is a part of the Common Areas, and which is to be used as a community building, offices for the Master Association, and other related and unrelated uses as determined by the Board.

1.16 “Landscaping” – The general care and treatment of outdoor areas, including seeding, reseeded, planting, replanting, trimming, pruning, mowing, edging, watering, fertilizing, thatching and other care, removal, maintenance and replacement of green areas, lawns, trees, shrubs, flowers, and other vegetation; and also including all waterscaping, outdoor lighting and hardscape elements.

1.17 “Limited Common Area” – Any portion of the Common Areas which is so designated on a Plat, and which exists or is operated for the benefit of one or more, but less than all, Lots in a Classification.

1.18 “Long Meadow” – That area of 14 acres, more or less, (primarily grassy plain) at the eastern edge of Straus Park, and as so designated on a Plat. This tract is recorded and defined in Deed Book 537, Page 679, Transylvania County Registry.

1.19 “Lot (or “Lots”)” – Any subdivided parcel of land of the planned community that is shown numbered or lettered on a Plat within a Classification for Straus Park or a condominium unit within Straus Park.

1.20 “Maintenance”, “Maintain”, and “Maintaining” – The activities conducted to enable the Master Association to operate, manage, maintain, insure, repair, improve and replace the Common Areas, including the improvements thereto, and to enable the Owners’ Associations in the Neighborhood Classifications to perform such activities with respect to the Neighborhood Common Elements in such Owners’ Association’s Classifications.

1.21 “Maintenance Area” (or “Maintenance Areas”) – A portion of the Common Areas, whether or not so denominated on a Plat, which is used in furtherance of the Maintenance of the Common Areas.

1.22 “Majority of Owners” – The Owners of more than fifty percent (50%) of the Lots of the Association.

1.23 “Master Association” – That North Carolina Corporation formed as Straus Park Master Association, Inc., which is the property owners’ association for all Lots within Straus Park

pursuant to Section 47F-1-103(3) of the Act. The Master Association shall have the powers of an "owners association" as provided in the Act (N.C. Gen. Stat. §47F-2-120, §47F-3-102). A copy of the Master Association's articles of incorporation and Bylaws, and any amendments thereto, shall be kept by the Secretary of the Master Association.

1.24 "Member" – The owner or owners of a Lot who shall also then be a Member of the Master Association for such period of ownership. If a Lot is owned by more than one person, then such persons collectively shall be the Member and shall be entitled to only one vote. A "Qualified Voting Member" shall mean a Member who is designated as set forth in the Bylaws as the Voting Member for a Lot who is not otherwise disqualified from voting for failure to timely pay assessments or other infractions of this Declaration, the Bylaws or Rules and Regulations. To forfeit "qualified voting member" status an owner must receive a hearing or adjudicatory process and not prevail as described in N. C. Gen. Stat. §47 F-3-107.1 and §47F-3-102(11) and (12).

1.25 "Mountain Park" – Those residential lots of single family homes prefaced by the letter "V" on a recorded plat and/or deed. These lots, clustered at the base of Straus Park and the southeasterly side of Blueberry Hill Road, are designed to reflect a small town neighborhood atmosphere.

1.26 "Mountain Park Assessments" – The amounts assessed by the Straus Park Mountain Park Owners' Association (or the Master Association if permitted hereby) against Mountain Park Owners to enable such Owners' Association to pay the costs of Mountain Park Maintenance.

1.27 "Mountain Park Maintenance" – The activities of the Straus Park Mountain Park Owners' Association to maintain an attractive appearance

1.28 "Mountainside" – Those residential lots of single family homes prefaced by the letters "M" on a recorded plat and/or deed, (Mountainside), "L" on a recorded plat and/or deed, (Lakeside or Springhouse) or "AC" on a recorded plat and/or deed, (Allison Creek), and "U" on a recorded plat and/or deed, (Blueberry Hill). Located throughout the community and, except for the Blueberry Hill Cottage development, these are generally larger lots of individualized homes.

1.29 "Mountainside Assessments" - The amounts assessed by the Straus Park Mountainside Owners' association (or the Master Association if permitted hereby) against Mountainside Owners to enable such Owners' Association to pay the costs of Mountainside Owners' Association, Inc.

1.30 "Mountainside Common Elements" – The parking areas, private roadways and the Landscaping within the Mountainside Classification, and any areas as may be so designated on the Plat or Plats.

1.31 "Mountainside Maintenance" – The activities of the Straus Park Mountainside Owners' Association to operate, manage, maintain, insure, repair, improve and replace the Mountainside Common Elements.

1.32 “Neighborhood/PUD” – That form of real property development which is generally known as a Planned Unit Development. Within Straus Park, Neighborhoods are subsets of the PUD. Within a Neighborhood, there may be different rules, regulations and/or restrictions that apply as otherwise set forth in this Declaration of Amended and Restated Declaration of Covenants or amendments thereto. Within this document “Neighborhood” and “Classification” may be used interchangeably.

1.33 “Neighborhood Common Elements” – the areas within Neighborhoods that are dedicated for the exclusive use and benefit of all or some the owners of properties within said neighborhood, including, without limitation, private roadways and Landscaping.

1.34 “Non-Residential Lot” – A Lot within the Park Place or Southern Knoll classification (excluding residential condominiums in Southern Knoll which are classified as Straus Ridge Classification).

1.35 “Owner” (or “Owners”) – All owners of any part of Straus Park.

1.36 “Owners’ Association” – The associations of Owners, established in the manner set forth herein, to serve the respective Classifications, each of which may be incorporated or unincorporated.

1.37 “Owners’ Board” – Those persons elected by an Owners’ Association to serve as the directors thereof.

1.38 “Owners’ Bylaws” – That document which is attached to the Amended and Restated Declaration of Covenants as Exhibit B C, which is to serve as the foundation of the bylaws of the various Owners’ Associations, which bylaws may be amended from time to time by each Owners Association for its operation and governance.

1.39 “Park Place” – Lots are restricted to business and professional use, prefaced by the letters “LOT” on a recorded plat and/or deed and located at the main entrance to Straus Park.

1.40 “Park Place Assessments” – The amounts assessed by the Straus Park Place Owners’ Association (or the Master Association if permitted hereby) against Park Place Owners to enable such Owners’ Association to pay the costs of Park Place Maintenance.

1.41 “Park Place Common Elements” – The parking areas, private roadways, including driveways, and all the Landscaping within the Park Place Classification, and any areas as may be so designated on the Plat or Plats thereof.

1.42 “Park Place Maintenance” – The activities of the Straus Park/Park Place Owners’ Association to operate, manage, maintain, insure, repair, improve and replace the Park Place Common Elements.

- 1.43 “Plans” or “Plans and Specifications” – The layout plans, specifications, site plans, external finishes, vegetation, contractor selection and all other matters required to be provided to the ECC by an Owner, by the Design Manual.
- 1.44 “Plat” (or “Plats”) – A plat (or plats) of survey of all or a part of Straus Park and recorded, from time to time, in the Transylvania County Register of Deeds.
- 1.45 “PUD/Neighborhood” - See definition listed under 1.32.
- 1.46 “Residential Lot” – A Lot within the Mountain Park, Mountainside, Straus Ridge, or Townhome Classification. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single family residence and its customarily accessory buildings and uses. This section excludes lots owned by the City of Brevard for utilities.
- 1.47 “Rules and Regulations” - The procedural and substantive requirements adopted by the Board in accordance with Section 5.1 below and imposed upon Members of the Master Association, concerning the use of any Lot or Common Area and administrative matters such as appeals to the Board. A copy of the Rules and Regulations shall be kept on file with the Secretary of the Master Association.
- 1.48 “Southern Knoll” – The property inclusive of Market Street and the parcels of Lot 4 (4.73 acres) and Lot 7 (2.32 acres) adjacent to the Long Meadow. The Market Street lots are restricted to business and commercial use.
- 1.49 “Southern Knoll Assessments” – The amounts assessed by the Straus Park Southern Knoll Owners’ Association (or the Master Association if permitted hereby) against Southern Knoll Owners to enable such Owners’ Association to pay the costs of Southern Knoll Maintenance.
- 1.50 “Southern Knoll Common Areas” – The parking areas, private roadways, including driveways, and the Landscaping within the Southern Knoll Classification, and any areas as may be so designated on the Plat or Plats
- 1.51 “Southern Knoll Maintenance” – The activities of the Straus Park Southern Knoll Association to operate, manage, maintain, insure, repair, improve and replace the Southern Knoll Common Elements.
- 1.52 “Straus Park” – The mixed-use community developed using such name, pursuant to the Declaration, and which shall include the property described in Transylvania County Deed Book 417, at Page 667 and Deed Book 537, at Page 679, both of the Transylvania County Registry and any other property that may be annexed into the Straus Park community in accordance with Article IV below. Notwithstanding, no part of the property described in Deed Book 417, at Page 667 shall be a part of Straus Park until a Plat thereof is recorded in the Transylvania County Register of Deeds identifying Straus Park or other instrument is recorded indicating that said part is subject to or encumbered by the Original Declaration or by this Declaration.

1.53 "Straus Ridge" – Residential condominiums prefaced by the letters "PH" (phase) and "U" (unit) on a recorded plat and/or deed and located in the neighborhood adjacent to Southern Knoll.

1.54 "Straus Ridge Assessments" – The amounts assessed by the Straus Ridge Owners' Association (or the Master Association if permitted hereby) against Straus Ridge Owners to enable such Owners' Association to pay the costs of Straus Ridge Maintenance.

1.55 "Straus Ridge Common Areas" – The parking areas, private roadways including driveways, and the Landscaping within the Straus Ridge Classification, and any areas as may be so designated on the Plat or Plats or in the recorded declaration creating the condominium .

1.56 "Straus Ridge Maintenance" – The activities of the Straus Park Straus Ridge Association to operate, manage, maintain, insure, repair, improve and replace the Straus Ridge Common Areas.

1.57 "Structure" - Any building, (including, but not limited to, house, barn, garage), lampposts, driveway lights, fence, wall, swimming pool, tennis court, detached antennae, satellite dishes or other receivers/transmitters, mailboxes, flags, signs, fuel tanks, septic systems, dog lots, play sets, and sports equipment or any other thing artificially erected or installed on or under a Lot.

1.58 "Townhome" – The duplex residences, designated by a "T" or "P" on a recorded plat and/or deed and located at the base of Straus Park, bordering the Long Meadow and Lake Straus.

1.59 "Townhome Assessments" – The amounts assessed by the Straus Park Townhome Owners' Association (or the Master Association if permitted hereby) against Townhome Owners to enable such Owners' Association to pay the costs of Townhome Maintenance.

1.60 "Townhome Common Elements" – The obligation and exclusive right to maintain roofs and external finishes of all structures in the Townhome Classification, all landscaping, mailboxes, parking lots and private roadways, including driveways, within the Townhome Classification.

1.61 "Townhome Maintenance" – The activities of the Straus Park Townhome Owners' Association to operate, manage, maintain, insure, repair, improve and replace the Townhome Common Elements.

1.62 "Unified Development Ordinance"--The City of Brevard's Unified Development Ordinance.

1.63 "Voting Margins" - Throughout these Covenants and associated Bylaws, affirmative Voting Margins are set at simple majority, sixty-seven percent (67%) or seventy-five percent (75%) of eligible voters depending upon the particular situation.

## II. GENERAL



2.1 Headnote. This document replaces the original Declaration of Covenants of Straus Park, dated December 31, 1997 as amended to October 26, 1998.

2.2 General Matters. The Declarant/Developer may have from time to time, caused a Plat to be recorded in the Transylvania County Register of Deeds, showing Lots located within certain Classifications of Straus Park. Lots may be improved or unimproved at the time of platting and at the time of sale or lease. Notwithstanding anything to the contrary herein, should a Plat be recorded which, by inadvertence or error, fails to state or improperly state a Lot's Classification, then upon the filing of an amended Plat bearing the statement of the Master Association as to the foregoing, the Lot shall bear the Classification shown on the amended Plat. The Classification Covenants shall be applicable to and bind all Lots with the stated Classification, but shall not apply to the Lots in other Classifications. No use shall be made of any Lot which is contrary to what is permitted in the Declaration or the Classification Covenants applicable thereto. If any portion of the Common Areas or Neighborhood Common Elements encroaches on a Lot, an easement is reserved and created. The Master Association reserves the right to subject all or any part of Straus Park to a contract with a utility company for the installation of lines and/or equipment which may require an initial or continuing payment to such utility company. That payment may be billed directly to the impacted Owner(s) or may be included in the Assessments.

2.3 Adoption of North Carolina Planned Community Act, Chapter 47F. Pursuant to N.C. Gen. Stat. §47F-1-102(d), and upon the consent of more than sixty-seven percent (67%) of the votes in the Master Association, the Straus Park planned community elects to, and by this provision does, adopt the North Carolina Planned Community Act, Chapter 47F with the following exclusions: (1) 47F-2-117 Amendment of declaration, (2) 47F-3-103(c) Executive board members and officers, (3) §47F-3-113 Insurance, and (4) §47F-3-114 Surplus Funds.

### III. COMMON AREAS

3.1 Common Area Uses and Management. The Common Areas are intended to serve Straus Park, its Owners and its residents, and shall include, but are not necessarily limited to, Lake Straus, the Lake House and any other improvements abutting Lake Straus, the Long Meadow, the park areas of Straus Park, any roadway shown on a Plat as a non-publicly maintained roadway (but providing general access), drainage facilities, utility installations, the areas on which directions signage is erected by the Master Association (and such signage), all lights, light poles, curbs, medians, Maintenance Areas, Landscaping materials installed by the Master Association, or by an Owners' Association, and all recreational and/or meeting facilities established hereafter by the Master Association for use of Straus Park occupants. The Master Association is responsible to operate, manage, maintain, repair, insure, improve and replace the Common Areas, as needed. The Master Association may charge reasonable fees for the use of recreational or meeting facilities in the Common Areas to Owners and anyone else permitted by the Master Association to make use thereof. The Neighborhood Common Elements shall be governed and managed by the applicable Classification's Owners' Association, unless the Master Association Board consents to an assignment of such responsibilities to the Master Association. In addition, the Common Areas shall include any other areas or portions of Straus Park as may be so declared by the Master Association from time to time.

The Board of the Master Association has the right, but not the obligation, in its sole discretion to manage the maintenance and operation of the Neighborhood Common Elements when determined by the Board to be in the best interest of the Association, including, without limitation, in the event that a condition or conditions occur within the Neighborhood Common Elements which violate the Declaration, pose a health and safety risk, or substantially impair community property values. Pursuant to that discretion, the Board may, but is not obligated to, assess all or a higher proportionate share of any expenses incurred to those members specially benefitted by the work performed.

3.2 Owner's Common Area Rights. Each Owner shall have the non-exclusive right to the use of the Common Areas, but only in accordance with the provisions hereof, and subject at all times to the control thereof the Master Association and to such Rules and Regulations as are established with respect thereto. Except as may be otherwise set forth herein, the Common Areas shall be operated, managed, repaired, maintained, and controlled by the Master Association. The Common Areas shall remain undivided and no Owner may bring an action for partition with respect thereto.

3.3 Long Meadow. The Long Meadow shall be perpetually kept and maintained by the Master Association in a generally undeveloped state, as a "green area", to serve as a park with pedestrian trails, picnic areas, and structures appropriate thereto, for the benefit of Owners within Straus Park and, on a regulated basis, by others. Further covenants that travel perpetually with the land, resulting from the year 2010 purchase of the Long Meadow from the original declarant may be found in Section XII. Appendix.

#### IV. STRAUS PARK ADDITIONS

4.1 Added Land. To the extent that said property has not been already encumbered by the Amended and Restated Declaration of Covenants for Straus Park, the Master Association, by and through the Board, may, at any time, with the written joinder of the applicable landowner, add to Straus Park areas that are within the bounds of the tract described in Transylvania County Deed Book 417 at Page 667, by the filing of a Plat thereof or other recorded instrument. The Master Association may, at any time, add, with the written joinder of the applicable landowner, other property not described within the boundaries of Deed Book 417, at Page 667 by the filing of a Plat and an amendment hereto in accordance with Article XI describing such area and setting forth its Classification. No new Classification shall be established with respect to such other property, nor shall any use, which is presently not permitted in any Classification, be permitted therein, unless specifically authorized in an amendment in accordance with Article XI.

#### V. USES AND LIMITATIONS

5.1 Governing Documents; Rules and Regulations. All Owners, tenants, contractors and/or invitees within Straus Park shall comply with the governing documents of Straus Park, including this Declaration, the Bylaws and Rules and Regulations authorized by N. C. Gen. Stat. §47F-3-102(1) of the Act. Subject to the provisions hereof, the Master Association Board may establish reasonable Rules and Regulations concerning the use of Lots and Common Areas and facilities

located thereon, including provisions clarifying or supplementing the enforcement procedures set forth below. The Master Association shall furnish or publish current copies of such Rules and Regulations to all Owners prior to the effective date of new or amended Rules and Regulations. Publication can be by mail or email to the addresses as registered with the Secretary of the Association or by posting such amendments in a conspicuous place, such as the Lake House. All Rules and Regulations, and amendments thereto, will be binding upon the Owners, tenants, contractors and/or invitees until and unless any rule or regulation is specifically overruled, cancelled, or modified by the Board or is disapproved by sixty-seven percent (67%) or more of the Qualified Voting Members of the Master Association at an annual or special meeting.

5.2 Procedures for Enforcement of Governing Documents. Except with respect to the failure to pay Assessments, as further defined in Article VIII, the Master Association Board will not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or any other person, including contractor, for violations of this Declaration, Bylaws, or the Rules and Regulations of the Master Association, unless and until the enforcement procedures set forth in the Rules and Regulations are followed. The date of violation shall control which enforcement procedures are followed. Notwithstanding the above, as allowed by law, some violations as more fully defined in the Rules and Regulations trigger automatic fines and/or the right of the Master Association to take self-help remedies without prior notice.

5.2a. Single Family Residential Use. Except as provided for Southern Knoll, including Market Street, and Park Place, a Lot within Straus Park shall only be used for single family residential purposes. "Single family" shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption or having a guardian/ward relationship created by decree of a Court of competent jurisdiction, or a group of not more than two (2) persons not so related, who maintain a common household in a single family residence or who are substantively structured like an integrated family unit.

5.3 Lot Subdivision and Combining Thereof. Except as may be otherwise provided in a conveyance from the Master Association, a Lot shall not be subdivided. "Subdivision" shall mean all divisions of a Lot into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future), but not including the adjustment between two adjoining lots of the common boundary line where the total number of lots is not increased and the resultant lots equal or exceed the standards of the City of Brevard as shown in its Unified Development Ordinance. Lots may not be combined, except with the written approval of the Board in accordance with the Rules and Regulations.

5.4 Proper Condition. No part of Straus Park shall be used in a manner, nor shall any condition be allowed to exist thereon, which would constitute a fire hazard, a nuisance or which would produce or allow emanating therefrom noxious odors or fumes, excessive noise or vibrations. All Lots shall be kept in a generally sightly condition free of all foreign material not normally found on lots by the Owner thereof, including the areas on which easements provided for herein exist. No unsanitary condition or anything that is dangerous or hazardous to health shall be permitted to remain on a Lot. All fuel storage tanks and trash receptacles shall be below ground or screened in a manner satisfactory to the ECC. No outside clotheslines or clothes

drying shall be permitted within Straus Park. No boats, trailers, mobile homes, recreational vehicles (including vehicles intended for overnight sleeping or camping) or inoperative vehicles may be stored or kept on any Lot, other than within a closed building, and no such work may be done on a commercial basis. All garages must have their doors kept in a closed condition. No lawn or water ornamentation of any kind, including but not limited to statuary, windmills, pink flamingos, etc. may be placed anywhere in Straus Park, unless approved prior to placement by the ECC. No garish, flashing or unsightly or distasteful signs may be placed anywhere in Straus Park. Other than a sign with the Lot number or address and/or the surname of the Lot occupant, no signs or other advertising material of any kind shall be placed on a Residential Lot except those signs erected with the prior approval of the ECC and in conformity with ECC Design Manual or Rules and Regulations. The foregoing is intended to prohibit "For Sale" and "For Lease" signs on all lots.

5.5 Vegetation. All vegetation on Lots shall be kept in a slightly condition affording a fine view, being mowed (or trimmed) on a reasonably regular basis, with all unsightly visible dangerous dead trees and plants removed on a timely basis by the Lot's Owner at the Lot Owner's expense. All Lots in Straus Park shall be kept in a reasonably natural state, subject to the above, with no live trees on a Lot removed, cut or topped, nor any vegetation cut, trimmed or Landscaped, except as otherwise permitted by the ECC. An Owner shall maintain his or her Lot to substantially eliminate weeds, which are defined to be: (i) noxious or poisonous plants, including but not limited to poison ivy, poison oak or poison sumac, at any height or state of maturity; (ii) plants and/or indigenous grasses which attain such large growth as to become, when dry, a fire menace to adjacent improved property; and (iii) vegetation and/or grasses which, because of height, has a blighting effect on the neighborhood (any such vegetation or grasses shall be presumed to be blighting if they exceed twenty-four inches in height).

5.6 Utility Lines. All utility lines installed by any Owner, shall be underground, except as may be required by any governmental body having jurisdiction thereof or the utility supplier to the contrary. Any above-ground utility equipment shall be appropriately screened, in the manner approved by the ECC.

5.7 Water Courses and Drainage. No creeks or other water courses (including dry beds) within Straus Park shall be dammed, impounded, diverted or have water taken therefrom without Master Association Board permission. However, nothing in this covenant shall be deemed to obstruct that water source for lake or drainage that impacts Master Association property without their consent. No Owner shall unreasonably divert or increase the flow of surface water onto the Lot of another Owner. All Owners shall provide for adequate drainage from their Lots in a reasonable and careful manner, and all such drainage facilities and equipment shall be kept clear and operating by the Owner at all times.

5.8 Plumbing. All occupied structures on Lots must have plumbing systems which are connected to either a central sewer system operated by a municipal system or other approved sewerage disposal system constructed, maintained and operated in accordance with the laws of the State of North Carolina.

5.9 Reception Equipment. As expressly provided by law, without prior approval of the ECC, an Owner may install, at his or her sole expense, (i) antennas that receive television broadcast signals, (ii) satellite dish antennas 39.37 inches or less in size in diameter that receive or transmit video, data or other programming, or (iii) antennas 39.37 inches or less in size in diagonal measurement that receive or transmit video, data or other programming via multipoint distribution services so long as:

- a. Said equipment is installed entirely within the boundaries of the Owner's Lot and within areas exclusively set aside for that Owner's use. Areas that are required by this Declaration to be maintained by the Association shall not be considered "exclusive use" areas;
- b. Said equipment can be safely installed;
- c. The placement of said equipment is in a "Preferred Location" as defined by the ECC, which location may be unique to said Lot based on such considerations, without limitation, as topography, signal reception, costs, safety and/or aesthetics;
- d. The Federal Communications Commission (the "FCC") or any other governmental agency preempts community regulation that is more restrictive than the provisions established in this Section; and
- e. The Straus Park community does not otherwise qualify for an exemption under FCC rules imposing federal limitations on local covenants or rules addressing the installation of equipment described above such as an exemption related to the provision of community antenna or satellite services.

5.10 Animals. No animal shall be allowed to be kept on a Lot, except a reasonable number of ordinary domestic household pets such as cats or dogs. An Owner shall only permit ordinary domesticated dogs or cats to be outside, but no more than a total of four such animals shall be allowed outside on a Lot at any given time. No dog shall be allowed to run free, and no animal shall be permitted to remain within Straus Park in a manner which constitutes a nuisance. All dogs being walked shall be kept on leashes and all dog excrement must be removed and disposed of in a sanitary manner by the person walking the dog. No commercial breeding or storage of animals shall take place within Straus Park. The Rules and Regulations shall govern all matters relating to animals, including but not limited to whether an animal may be kept in Straus Park, and shall be no less restrictive than this covenant nor the city ordinance. The determinations regarding such matters by the Master Association shall be final and binding.

5.11 Motorized Vehicles. Except for self-propelled lawn mowing machinery or snow removal equipment which operates only on a Lot, and for golf carts which are both approved by the ECC and are legally permitted to be operated on public streets and other licensed vehicles which are operated on public streets for the purpose of access to and from the Lots and public roads outside Straus Park, no motorized vehicles of any kind shall be operated within Straus Park (*i.e.* no "joy-riding" on trails or roads). No improperly mufflered vehicle or other vehicle from which emanates excessive noise, smoke or vibration shall be operated within Straus Park, regardless of whether the same is licensed or operated on a road. No motorized vehicles shall be allowed on non-paved surfaces except for purposes of maintenance.

5.12 Temporary Structures. No mobile home, trailer, tent, shed or other structure of a temporary nature may be occupied as a residence, business or office at any time, except the Lot contractor's trailer may be occupied as an office during the construction period only.

5.13 Recreation Equipment. All recreational equipment or facilities including fencing placed on a Lot by someone other than the Master Association Board or an Owners' Association must be sited in rear lawn areas, be of naturally blending colors, be landscape screened, and be approved by the ECC.

5.14 Leasing and Time Sharing. No timesharing type occupancy of less than thirty days or rentals of less than thirty days may be utilized in connection with any Lot. This Section shall not prohibit the operation of a bed and breakfast home or bed and breakfast inn facility in Southern Knoll or Park Place classifications permitting such uses but may not exceed 40% of the parcel's acreage excluding street-rights-of-way, so long as they meet the Covenant standards for the particular classification and none of the facilities are operated in the manner generally known as a time-share for a period of less than thirty days.

In addition the end usage must conform to the standards of the City of Brevard's Unified Development Ordinance (UDO) and in the cases of a bed and breakfast home or a bed and breakfast inn facility particular attention must be paid to Chapter 1, Purpose and Applicability; Chapter 2, District Provisions; Chapter 3, Additional Use Standards and Chapter 5, Building Types and Architectural Standards.

The usage of the underlying lands and surrounds must also be in full compliance with other terms of this Ordinance and other applicable regulations.

5.15 Flags/Banners; Signs. Except for the United States flag or the North Carolina State flag, neither which are regulated by the Association, no ornamental flag, banner or similar device shall be displayed or located within Straus Park of a size greater than four feet by six feet. For any such flag, banner or similar device smaller than four feet by six feet, each Owner shall comply with the Rules and Regulations regarding size, location and duration of display.

All signs on residential lots are prohibited within Straus Park except as provided in the Rules and Regulations, if applicable.

5.16 Discharging of Firearms, Pellet Guns, and Archery Equipment. The discharge of rifles, shotguns, revolvers, pistols and pellet guns or the release of arrows and darts by any person, except safety personnel, is strictly prohibited.

## VI. CONSTRUCTION

6.1 General. No Construction on any Lot (including commercial lots) or Common Area shall occur, unless the same shall have been previously approved in writing in the manner set forth herein by the ECC. The foregoing approval is required for any Construction on a Lot. The ECC shall publish the Design Manual, and may amend them, from time to time, with Board approval. Without limiting what the Design Manual shall address, it is anticipated that the same shall set

forth design and building requirements, Plans review procedures, compliance requirements, administration, and fees which may be charged by the ECC for payment to the Master Association; and compliance deposits (subject to assessment in case of noncompliance), which must be paid prior to the commencement of any Construction on a Lot to reimburse the cost of review and/or to defray the anticipated damage to roadways. No Construction on a Lot or Common Area shall commence or continue if the Plans have not been approved in writing by the ECC, and the required fees paid. The ECC's approval of the Plans is not a warranty of the architect's or engineer's work that was submitted to it and the ECC shall have no liability for any deficiencies thereof. If the ECC declines or disapproves an application from an Owner, the Owner-applicant, and any aggrieved Owner of abutting property, may appeal such decision to the Board pursuant to the appeals process and procedures adopted by the Board in the Rules and Regulation.

6.2 Compliance. No structure shall be occupied prior to receiving the ECC's final compliance inspection approval, meeting all codes and the issuance of a Certificate of Compliance (or the like) therefore, if such Certificate is required by the State of North Carolina, Transylvania County, the City of Brevard or any other governmental authority for lawful occupation of the Lot.

6.3 The ECC. The ECC shall be appointed by the Directors in accordance with the Bylaws. The affairs of the ECC shall be facilitated by an administrator selected by the Master Association Board (who shall vote only to break ties) and shall have five other members, one who must be a licensed or professional Land Planner or Landscape Architect, one who shall be a licensed Architect or Engineer, and three who shall be appointed by the Master Association Board of Directors from the pool of full time Straus Park residents. The ECC professional members may be reasonably compensated by the Master Association, but only from the fees paid. All five members shall have full voting privileges. The ECC may at its discretion elect/appoint a chairperson, unless the Master Association Board has already done so, from the group of three residents. All Owners understand and agree, by acceptance of a deed to a Lot, that the ECC has the discretion whether to approve proposed Plans, which approval shall not be unreasonably withheld or delayed. It shall not be unreasonable for Plans to be rejected solely due to aesthetic considerations, and the same are within the sole and absolute discretion of the ECC.

6.4 Setbacks and Reservations. The minimum required setbacks and build-to lines shall be shown on the Plats, but may be otherwise controlled by the Design Manual. Unless otherwise shown on a Plat, an easement ten feet in width, running parallel to and inside of all Lot boundary lines, for the location, replacement, maintenance and repair of utility lines and related equipment is reserved. If a Plat affirmatively indicates that a different easement exists, then what is shown on the Plat shall control. In addition, the Master Association shall have all other easements shown on any Plat for the purposes shown thereon, whether for installing, replacing, repairing or maintaining drainage facilities, reasonably directing surface or subsurface water changing grades and swales or otherwise. The Master Association reserves unto itself an easement over all portions of each Lot for the purpose of enforcing the provisions hereof. The Master Association may at anytime assign all or portions of its easement rights to utility suppliers or to an Owners'

Association. No easement or right of way for access to property external to Straus Park may be provided by any Owner, unless approved by Master Association.

## VII. MASTER ASSOCIATION

7.1 Formation: The Master Association has been validly formed as a non-profit corporation in accordance with the laws of the State of North Carolina.

7.2 Management. The Master Association shall be managed and operated as set forth in the Bylaws. The Owners' Bylaws set forth the manner of operation of the six Owners' Associations. The Master Association shall, if it decides to establish such a position, select the Community Manager, a salaried employee or a non-salaried contracted person or organization, who shall serve, in effect, as the chief operating officer of Straus Park, in accordance with the Covenants or standards as set forth herein and at the direction of the Master Association Board. Each Owners' Association shall govern the Lots in its Classification, pursuant to the Owners' Bylaws, subject at all times to the Master Association's discretion, but not obligation, to enforce any and all standards in the Declaration, the Classification Covenants and Rules and Regulations.

7.3 Committees. The Master Association Board shall have the authority to create any number of committees and assign to said committees the tasks related to the operation, management, and control over Straus Park. Any such committees, including any Neighborhood committee, may act in an advisory capacity, notifying the Board of recommended action related to Straus Park.

## VIII. ASSESSMENTS/OTHER FEES

8.1 General. Each Owner, by acceptance of a deed to a Lot, covenants and agrees to pay the Assessments levied by the Master Association from time to time. Without intending to limit the uses of the Assessments, the Assessments shall be used for the Maintenance of the Common Areas and for promoting the recreation, health, safety, welfare, common benefit, and enjoyment of all Owners and occupants of Straus Park, all as may be more specifically authorized from time to time by the Board. Further, by deed acceptance, the Owners acknowledge and agree that the Maintenance is a benefit to them and their Lots, that the nature of Straus Park as a diverse-use community results in a variety of Maintenance being required, and that the Assessments uses are sufficiently certain, and shall not fail for lack of sufficiency.

8.2 Levy of Assessments. Should the Master Association own and/or operate any Common Areas which are shown on a Plat as a Limited Common Area, then only the benefited Lot Owners in the Classification so designated shall be assessed in connection therewith. The Master Association shall establish the general Assessments for all Owners. Except with respect to the portion of any Assessment resulting from Limited Common Area, the Assessments on each Residential Lot shall be equal. The Assessments in the Non-Residential Lot Classifications may be determined by the Master Association in cases on unmet maintenance needs. The Board shall determine the Common Expenses to be allocated in such fixed amounts from year to year and the determinations of Assessments by the Master Association shall be binding and controlling. In the



event of a dispute, the Owner must pay the Assessments until otherwise agreed by the Master Association, modified by formal arbitration, (if the Master Association consents thereto), or amended by a court of competent jurisdiction. The regular established Lot Assessments for one year shall not exceed the previous year's regular Assessments on a Lot by more than fifteen (15%) percent, unless consented to by a Majority of Owners of the affected Lots. The Master Association shall establish the amount of the Assessments not later than December 1 of each year for the coming year. The foregoing is not intended to control or deal with the Neighborhood Assessments which have individual needs. Whenever lots are combined, each parcel will be assessed individually.

8.2.1 User Fees/Charges. In addition to the foregoing, the Master Association Board shall have the power in accordance with N.C. Gen. Stat. § 47F-3-102(10) of the Act to impose and receive from all Owners any payments, fees or charges for the use, rental, or operation of the Common Areas and for services provided to Owners.

8.3 Enforcement of Assessments. As provided in N.C. Gen. Stat. § 47F-3-115, all unpaid Assessments shall bear a late interest charge computed at a rate not exceeding one and one-half percent (1.5%) per month [eighteen percent (18%) per annum] after thirty days from the time the same are due. Further payments received after the due dates are subject to a late processing fee in the amount of \$75.00.

A reminder letter will be sent 30 days after the due date if no payment has been received.

Except as otherwise provided in N.C. Gen. Stat. § 47F-3-116, if an account remains unpaid 90 days after the reminder has been sent, a demand letter will be sent with a statement showing all charges due on the account. The demand letter will state that the delinquent owner is responsible for attorneys' fees and costs incurred in the collection if payment is not received within 15 days from the mailing of the notice.

A continuing Claim of Lien may be placed upon the property against which the Assessment is made when a notice of such lien has been filed in Superior Court of Transylvania County, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of thirty (30) days after the same shall have become due.

In addition, if a lot Owner does not contest the collection of debt and enforcement of a lien after the expiration of the 15-day period following the demand letter notice, the lot Owner shall be liable for unpaid Assessments and collection costs of the Master Association, including reasonable attorneys' fees (less than or equal to one thousand two hundred dollars \$1,200 per event). The lot Owner must be notified in writing of the association's intent to seek payment of attorneys' fees and court costs. The notice must be sent by first-class mail to the property address and, if different, to the mailing address for the lot owner in the association's records. The notice shall set out the outstanding balance due as of the date of the notice and state that the lot owner has 15 days from the mailing of the notice by first-class mail to pay the outstanding balance without the attorneys' fees and court costs. If the lot owner pays the outstanding balance within this period, then the lot owner shall have no obligation to pay attorneys' fees and court costs. The

has 15 days from the mailing of the notice by first-class mail to pay the outstanding balance without the attorneys' fees and court costs. If the lot owner pays the outstanding balance within this period, then the lot owner shall have no obligation to pay attorneys' fees and court costs. The notice shall also inform the lot owner of the opportunity to contact a representative of the association to discuss a payment schedule for the outstanding balance.

During the pendency of an action brought to foreclose a lien for an unpaid Assessment on a lot, by the Master Association, the lot Owner may be required to pay the then applicable annual assessment.

8.4 Neighborhood Assessments. Each of the Owners' Associations responsible for the Maintenance set forth in Sections 1.27, 1.31, 1.42, 1.51, 1.56, 1.61 above shall assess the Owners in such Classification to pay the amounts required to satisfy the costs of Maintaining those items set forth in Sections 1.26, 1.29, 1.40, 1.49, 1.54, 1.59 above. If an Owners' Association fails to properly assess or maintain, the Master Association may make such assessments and/or perform such maintenance and assess the Owners within such Classification.

8.5 Special Assessments. Should the Master Association or an Owners' Association want to assess the Owners for capital improvements or other items not provided for herein, the affirmative vote of sixty-seven percent (67%) of the qualified voting Owners to be so assessed shall be required to adopt such assessment. Non "qualified" shall be construed as having failed to pay assessments when due and payable or for violations of the Amended and Restated Declaration of Covenants, bylaws and rules and regulations of the association and has been through the hearing/adjudicatory process described in N. C. Gen. Stat. §47F-3-107.1 Upkeep of planned community and §47F-3-102(11) and (12) Powers of owners' association.

## **IX. NEIGHBORHOODS**

9.1 Classifications Bound. The Mountain Park, Mountainside, Park Place, Southern Knoll, Straus Ridge and Townhome Classifications are each Neighborhoods/PUDs within the Development. Market Street is to be construed as a sub-classification of Southern Knoll while Park Place is a stand alone classification. They, Market Street and Park Place, shall be exclusively for commercial businesses and each shall have a seat on the Master Association Board. Upon further residential development of Southern Knoll, a shared representation between Market Street and the residential component of Southern Knoll shall be established on the Master Association Board, using even-numbered years for one and odd-numbered years for the other. For purposes of this Section, "development" shall mean the completed construction (as measured by the issuance of certificates of occupancy by the applicable governmental entity) of at least \_\_ living units on the Southern Knoll parcel.

9.2 Neighborhood Common Element Maintenance. The Owners' Associations in the Neighborhood Classifications shall provide Maintenance of the Neighborhood Common Elements located within such Classification to keep them in good Maintenance, and shall assess the Owners within such Classification therefore. Thus, the Straus Park Townhome Owners' Association shall assess the Townhome Owners for the purpose of paying the costs of

Townhome Maintenance of the Townhome Common Elements, the Straus Park/Park Place Owners' Association shall assess the Park Place Owners for the purpose of paying the costs of Park Place Maintenance of the Park Place Common Elements, etc. The Neighborhood Common Elements shall be solely maintained by the Owners' Associations (or by the Master Association if the Owners' Association fails to do so). No Owner may physically affect any Neighborhood Common Elements. The Owners' Associations and the Master Association are hereby granted the perpetual easement and right of way required for them to maintain all Neighborhood Common Elements.

9.3 No Partition. The Neighborhood Common Elements shall remain undivided and no Owner may bring any action for partition with respect thereto.

9.4 Southern Knoll. Notwithstanding anything to the contrary contained in this Declaration, a residential condominium or condominiums created pursuant to the N.C. Gen. Stat. Chapter 47C, the North Carolina Condominium Act (hereinafter the "Condo Act") shall be a permitted residential use within the Southern Knoll, which is otherwise a Non-Residential Lot Classification.

Due to the fact that (i) the Southern Knoll Covenants are primarily designed to govern commercial uses, and (ii) each condominium association will be solely responsible for the maintenance, repair and replacement of the condominium's common elements; those portions of the Southern Knoll, which are developed as residential condominium and which prohibit non-residential uses therein, shall neither be a member of the Straus Park Southern Knoll Owners' Association nor subject to the Southern Knoll Covenants. Any condominium established in the Southern Knoll which permits non-residential uses thereof, shall have its association as a member of the Southern Knoll Owners' Association and shall be subject to the Southern Knoll Covenants.

Every condominium association in Straus Park shall be subject to the Bylaws and the Declaration. Each condominium unit properly established per the Act shall constitute a Lot. The Assessments levied against the condominium Lot Owners shall be collected by the condominium association for each of its unit owners as a part of the condominium association assessments, and shall be paid by such association to the Master Association.

Any condominium declaration for a condominium within Straus Park shall comply with the Condo Act. Each owner of a condominium unit in Straus Park and all condominium associations shall, at all time, comply with provisions of the applicable condominium declaration, as well as complying with this Declaration. Without in any way limiting the rights of Declarant and the Master Association, nor the obligations of anyone seeking to develop a condominium in Straus Park, no condominium shall be built without the prior design and other approvals required of Lot Owners in this Declaration.

The creation, operation, management and ownership of all condominium units established within Straus Park must be in accord with all laws of the State of North Carolina and any other governmental authorities having jurisdiction thereover. Should any provision of the Declaration be contrary to the Condo Act, then the provisions of the Condo Act shall control; and such

contrary provisions shall be deemed severed from the Declaration, but only with respect to the condominium Lot Owners.

Any Lot in the Southern Knoll, which is not developed as a condominium for solely residential use, shall remain subject to Southern Knoll Covenants.

The provisions hereof are intended to be liberally construed to give effect to their apparent intent. The provisions hereof shall inure to the benefit of and bind the successors and assigns and all other owners of property in Straus Park. In the event of any conflict between the provisions herein and those in other portions of this Declaration, the terms herein shall control.

## **X. ENFORCEMENT**

10.1 General. Except as otherwise provided herein, each Owner, the Master Association and any Neighborhood association shall have the right to enforce, by proceeding at law or in equity, the provisions set forth herein. No failure by any such party to seek enforcement hereof shall constitute a waiver of such party's rights to enforce the provisions hereof at all times hereafter. Upon the breach of any provision hereof, including the failure to abide by the ECC's decisions or to comply with this Declaration, the Bylaws and the Rules and Regulations, the Owner of the Lot from which the breach emanates shall pay the reasonable attorneys fees incurred by the Association and all other costs of the enforcement hereof. All remedies herein are cumulative.

10.2 Inurement. The provisions hereof shall inure to the benefit of and bind all Owners and their respective heirs, successors, assigns, tenants and other persons claiming by, through, or under them. The provisions of this Declaration are not intended to create and do not create any joint venture, partnership or other similar relationship among the Owners. This Declaration shall be construed in accordance with the laws of the State of North Carolina. This Declaration does not grant any rights to the public in general. All provisions hereof are severable in the event that any provision is found to be unenforceable by a court of competent jurisdiction.

10.3 Limit. The provisions hereof shall run with and bind Straus Park and the Owners for a period of fifty years from the date this Declaration is recorded, after which time, the term shall be automatically extended for successive periods of ten years each, unless Owners representing at least eighty percent (80%) of all qualified votes (as defined in Section 11.1 below) in the Master Association held by Owners then elect not to extend the term of this Declaration.. Notwithstanding the foregoing, any easements created or reserved herein shall not be affected, modified or terminated by the modification or termination hereof.

## **XI. AMENDMENT**

11.1 Vote Requirement. This Declaration shall not be amended unless more than sixty-seven percent (67%) of the qualified voting Owners affirmatively consent to such amendment. Non "qualified" shall be construed as having failed to pay assessments when due and payable or for violations of the Amended and Restated Declaration of Covenants, bylaws and rules and regulations of the association and whose right to vote has been suspended through the

hearing/adjudicatory process described in N. C. Gen. Stat. §47F-3-107.1 Upkeep of planned community and §47F-3-102(11) and (12) Powers of owners' association.

11.2 Amendments to Owners' Association Covenants. Owners' Associations' covenants shall not be amended unless more than sixty-seven percent (67%) of the qualified voting Owners of that association vote affirmatively to effect such amendment. Non "qualified" shall be construed as having failed to pay assessments when due and payable or for violations of the Amended and Restated Declaration of Covenants, bylaws and rules and regulations of the association and has been through the hearing/adjudicatory process described in N. C. Gen. Stat. §47F-3-107.1 Upkeep of planned community and §47F-3-102(11) and (12) Powers of owners' association.

## XII. APPENDIX

Relevant Long Meadow covenants parsed from the Warranty Deed Exhibit "A", dated May 12, 2010 are shown below:

Being all of the Long Meadow at Straus Park containing 14.181 acres, more or less, as shown on a revised plat thereof recorded in Plat File 14, Slides 87-88, Records of Plats for Transylvania County.

The Grantor also hereby assigns and conveys to the Grantee the right to control the manner of development and manner of operation of the Long Meadow reserved by the Grantor under the provisions of Section 3.3 of Article III of the Declaration Covenants for Straus Park recorded in Book 426, page 341, Records of Deeds for Transylvania County, as amended in Book 439, page 156, Records of Deeds for Transylvania County.

This conveyance is made subject to all easements and other matters shown on the recorded plat hereinabove referred to, to the Declaration of Covenants for Straus Park recorded in Book 426, page 341, Records of Deeds for Transylvania County, as amended in Book 439, page 156, Records of Deeds for Transylvania County (said Declaration as amended being hereinafter referred to as "the Declaration"), and to the following additional restrictions each of which is a covenant for the benefit of and shall be enforceable by the members of Straus Park Master Association, Inc., and may not be amended without the affirmative vote of the owners of not less than 75% of the lots in said association:

1. The Long Meadow may not be subdivided and sold in separate parts nor shall it be sold or leased to any entity other than a nonprofit corporation.
2. The Long Meadow shall be perpetually kept and maintained by the owner thereof in a generally undeveloped state, as a "Green Area," to serve as a park with ball fields, pedestrian trails, picnic areas, and structures appropriate thereto, for the benefit of the

owners within Straus Park and, on a basis regulated solely by Straus Park Master Association, Inc., by others.

IN WITNESS WHEREOF the Master Association has caused the due execution of the foregoing as of the day and year above written.

ATTEST: Laura Ledford  
Secretary

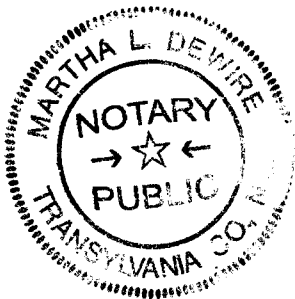
Straus Park Master Association  
By: Charles H. Butz  
President

STATE OF NORTH CAROLINA, COUNTY OF Transylvania

I, Martha L. DeWire a Notary Public of the County and State aforesaid, certify that Charles H. Butz <sup>and Laura</sup> personally came before me this day and acknowledged that he/she is Secretary of Straus Park Master Association, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by him/her as the Secretary. Witness my hand and official stamp or seal, this 29<sup>th</sup> day of October, 20 12.

My commission expires: 02/10/2013

Martha L. DeWire  
Notary Public



**SECRETARY'S CERTIFICATION**

I, Laura Ledford being the Secretary of Straus Park Master Association, Inc., do hereby certify that the foregoing Amendment was agreed to in writing by more than sixty-seven percent (67%) of the lot owners.

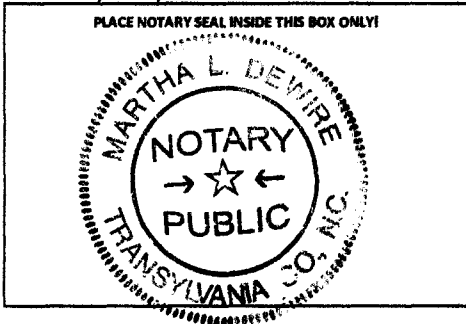
Laura Ledford  
Print Name: Laura Ledford  
Secretary of Straus Park Master Association, Inc.

\*\*\*\*\*  
STATE OF North Carolina COUNTY OF Transylvania  
\*\*\*\*\*

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document in the capacity indicated: Laura Ledford

Date: 10/29/2012

Martha L. DeWine  
Notary Public



Martha L. DeWine

(Printed Name of Notary)

My Commission Expires: 02/10/2013



2012006493

TRANSYLVANIA CO, NC FEE \$170.00  
PRESENTED & RECORDED:

12-06-2012 08:48:10 AM

CINDY M OWNBEY  
REGISTER OF DEEDS  
BY: BEVERLY MCJUNKIN  
DEPUTY REGISTER OF DEEDS

BK: DOC 635

PG: 554-604

**CORRECTIVE OR SCRIVENER'S AFFIDAVIT FOR  
NOTICE OF TYPOGRAPHICAL OR OTHER MINOR ERROR  
[N.C.G.S. 47-36.1]**

Prepared By and Return To: Van Winkle, Buck, Wall, Starnes and Davis, P.A. (CDJ)  
Post Office Box 7376, Asheville, North Carolina 28801

Each undersigned Affiant, jointly and severally, being first duly sworn, hereby swears or affirms that the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park recorded on November 14, 2012 in Deed Book 633, Page 115 of the Office of the Register of Deeds, Transylvania County, North Carolina, by and between the Straus Park Master Association, Inc.; and the Owners of properties located within Straus Park contained the following typographical or other minor error(s); and this Affidavit is made to give notice of the below corrective information:

Exhibits A-C were inadvertently omitted from the recording of the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park described above.

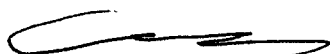
Affiant makes this Affidavit for the purpose of correcting the above-described instrument as follows:

To include Exhibits A-C as attachments to the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park described above.

Affiant is knowledgeable of the agreement and the intention of the parties in this regard. Affiant is the (check one):

- Drafter of original instrument previously recorded
- Closing attorney for transaction involving the previously recorded instrument
- Attorney for grantor/mortgagor named above in the previously recorded instrument
- Owner of the property described in the previously recorded instrument
- Other (Explain: \_\_\_\_\_)

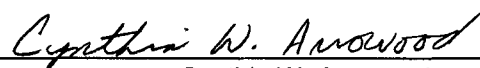
A copy of the previously recorded (in part or in whole) is attached.

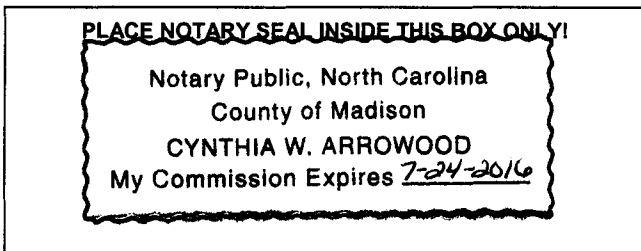
  
\_\_\_\_\_  
Craig D. Justus, Esquire

\*\*\*\*\*  
STATE OF NORTH CAROLINA  
COUNTY OF BUNCOMBE

I certify that the following person personally appeared before me this day, acknowledging to me that he signed the foregoing document: Craig D. Justus, Esquire

Date: December 6, 2012

  
\_\_\_\_\_  
Cynthia W. Arrowood



My Commission Expires: 7/24/2016





**2012006068**

TRANSYLVANIA CO, NC FEE \$58.00  
PRESENTED & RECORDED

11-14-2012 01:25:24 PM

CINDY M OWNBEY  
REGISTER OF DEEDS  
BY: BETH C LANDRETH  
ASSISTANT

**BK: DOC 633**

**PG: 115-137**

STATE OF NORTH CAROLINA

COUNTY OF TRANSYLVANIA

**AMENDED AND RESTATED DECLARATION OF COVENANTS, RESTRICTIONS,  
EASEMENTS AND CONDITIONS FOR STRAUS PARK**

This Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park ("Amended Declaration") is made as of this 29<sup>th</sup> day of May, 2012 by and between the Straus Park Master Association, Inc.; the Owners of properties located within Straus Park as hereinafter defined; for the benefit of themselves and all future owners of those certain portions of the property within the bounds of the tract described in that deed recorded in Transylvania County Deed Book 417 at page 667, which portions are established in the manner set forth below to be defined as Straus Park, and any additional property which is lawfully annexed to Straus Park.

**RECITALS**

**WHEREAS, THIS AMENDED DECLARATION REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS WITHIN STRAUS PARK AS ALLOWED BY LAW AND AS MORE SPECIFICALLY DEFINED HEREIN; and**

WHEREAS, on December 31, 1997, Straus Park Development Company ("Declarant") recorded a set of covenants for Straus Park in Deed Book 426, beginning at Page 341, of the Transylvania County Registry ("Original Declaration"), creating therein a general scheme of development for a mixed use planned community located within the City of Brevard, North Carolina; and

This document is being re-recorded to correct the inadvertent omission of Exhibits A-C from that recording in Book DOC 633, Page 115 of the Transylvania County Registry.

WHEREAS, the Original Declaration was amended on October 26, 1998 in Deed Book 439, at Page 156, Transylvania County Registry and

WHEREAS in May, 2010 the Long Meadow acreage parcel, along with some other parcels within Straus Park, were acquired from the Straus Park Development Company through a fee simple conveyance deed with special restrictions and recorded on May 18, 2010 in Deed Book 537, at Page 679, of the Transylvania County Registry; and

WHEREAS, Article XII of the Original Declaration required a two thirds affirmative vote of all Owners as defined therein to amend the Original Declaration; and

WHEREAS, the Straus Park Master Association, Inc. is the master property owners association for Straus Park as set forth in the Original Declaration (“Master Association”); and

WHEREAS, the Master Association and Owners, are desirous of amending and restating the Original Declaration to update and improve said set of covenants affecting the use and enjoyment of properties within Straus Park; and

WHEREAS, on the 12<sup>th</sup> day of September, 2012, at a duly called meeting of the Master Association, more than sixty seven percent (67%) of the Owners of properties located within Straus Park consented to the adoption of this Amended Declaration;

NOW THEREFORE, in consideration of the foregoing, the following are hereby declared to be covenants that shall run with the Straus Park land, and shall bind, benefit, and burden all of Straus Park, to wit:

**I. DEFINITIONS**

For the purposes of these Covenants except as the context may otherwise require the terms set forth below, as used in the Amended and Restated Declaration of Covenants, are defined as follows:

1.1 “Act” – The North Carolina Planned Community Act, Chapter 47F of the North Carolina General Statutes.

1.2 “Assessments” – The amounts assessed against the Owners, from time to time, by the Master Association, to enable it to operate Straus Park in accordance with the Declaration and pay for the Maintenance, Repair and Improvement thereof.

1.3 “Board” - The Board of Directors of the Association and the Executive Board referred to in the Act. Unless the context indicates otherwise, any act hereof by the Master Association may be taken by the Board on behalf of said association without the need for membership vote.

1.4 “Bylaws” – That document entitled “Bylaws” which is attached to the Declaration as Exhibit A thereto, to serve as the corporate bylaws of the Master Association, as the same may

be amended hereafter. Amendments to the Bylaws are not required to be recorded in the County Registry in order to be effective.

1.5 "Classification" (or "Classifications") – The designation on a Plat of a Lot within the following Neighborhoods of Straus Park: Mountain Park, Mountainside, Park Place, Southern Knoll, Straus Ridge, or Townhome.

1.6 "Classification Covenants" – Those covenants applicable to, and binding upon, all Lots in a single Classification, and which are attached to the Amended and Restated Declaration of Covenants as Exhibit B and correspond to the Market Street Lots, Mountain Park Homes Lots, Mountainside Homesite Lots, Park Place Lots and the Straus Ridge Condominium Rules and Regulations, as the same may be amended hereafter.

1.7 "Common Areas" – All real property owned or leased by the Master Association within Straus Park which is for the common use and enjoyment of Owners subject to the rules and regulations promulgated by the Board of Directors of said association. The lake, Lake House, tennis courts, pool, Long Meadow, nature trails, and perimeter buffer strip are all Common Areas, as well as any other so designated areas in an instrument of conveyance or lease. The Common Areas do not include public streets, Lots, or the Neighborhood Common Elements..

1.8 "Construction" – The physical disturbance of any Lot, or Common Area, including grading, excavation or other site preparation thereof, and the location, placement, erection, construction or replacement of any Structure, building, sign, fence, parking area, driveway, sports equipment, Landscaping, pools, gazebos, water features, outdoor lighting or trellis thereon.

1.9 "Declarant" - The original Declarant was Straus Park Development Company, a North Carolina corporation, as the developer of Straus Park. Said developer then assigned certain Declarant rights to the Master Association by warranty deed recorded in Deed Book 537, at Page 679, Transylvania County Registry.

1.10 "Declaration"- These Amended and Restated Declaration of Covenants of Straus Park.

1.11 "Design Manual" – The ECC Design Manual are the standards for Applications, Approvals, Construction Aspects, Policies and Procedures, July 2008 Edition, as set forth in the Straus Park ECC Design Manual which may be amended from time to time, as approved by the Master Association, which govern construction within Straus Park as set forth in Article VI below

1.12 "Director" (or "Directors") - Those persons elected by the members of the Master Association to serve on the Board as directors thereof, in the manner provided for in the Bylaws.

1.13, "ECC" - The Straus Park Environmental Control Committee, whose responsibilities include the approval of all construction applications within Straus Park pursuant to the Design Manual, the Declaration and Rules and Regulations. The ECC is a committee of the Master Association

whose members are appointed by the Board and whose general purpose is to keep Straus Park attractive for the enjoyment of the owners and to protect property values therein.

1.14 "Holder" (or "Holders") – The holder of a note secured by a duly recorded deed of trust on a Lot, so long as such holder is a commercial lender, such as a bank, savings bank, credit union or insurance company.

1.15 "Lake House" – That structure known as the Lake House which borders Lake Straus (and all related facilities, including the furnishings thereof), as existing or improved or constructed hereafter, which is a part of the Common Areas, and which is to be used as a community building, offices for the Master Association, and other related and unrelated uses as determined by the Board.

1.16 "Landscaping" – The general care and treatment of outdoor areas, including seeding, reseeding, planting, replanting, trimming, pruning, mowing, edging, watering, fertilizing, thatching and other care, removal, maintenance and replacement of green areas, lawns, trees, shrubs, flowers, and other vegetation; and also including all waterscaping, outdoor lighting and hardscape elements.

1.17 "Limited Common Area" – Any portion of the Common Areas which is so designated on a Plat, and which exists or is operated for the benefit of one or more, but less than all, Lots in a Classification.

1.18 "Long Meadow" – That area of 14 acres, more or less, (primarily grassy plain) at the eastern edge of Straus Park, and as so designated on a Plat. This tract is recorded and defined in Deed Book 537, Page 679, Transylvania County Registry.

1.19 "Lot (or "Lots") – Any subdivided parcel of land of the planned community that is shown numbered or lettered on a Plat within a Classification for Straus Park or a condominium unit within Straus Park.

1.20 "Maintenance", "Maintain", and "Maintaining" – The activities conducted to enable the Master Association to operate, manage, maintain, insure, repair, improve and replace the Common Areas, including the improvements thereto, and to enable the Owners' Associations in the Neighborhood Classifications to perform such activities with respect to the Neighborhood Common Elements in such Owners' Association's Classifications.

1.21 "Maintenance Area" (or "Maintenance Areas") – A portion of the Common Areas, whether or not so denominated on a Plat, which is used in furtherance of the Maintenance of the Common Areas.

1.22 "Majority of Owners" – The Owners of more than fifty percent (50%) of the Lots of the Association.

1.23 "Master Association" – That North Carolina Corporation formed as Straus Park Master Association, Inc., which is the property owners' association for all Lots within Straus Park

pursuant to Section 47F-1-103(3) of the Act. The Master Association shall have the powers of an "owners association" as provided in the Act (N.C. Gen. Stat. §47F-2-120, §47F-3-102). A copy of the Master Association's articles of incorporation and Bylaws, and any amendments thereto, shall be kept by the Secretary of the Master Association.

1.24 "Member" – The owner or owners of a Lot who shall also then be a Member of the Master Association for such period of ownership. If a Lot is owned by more than one person, then such persons collectively shall be the Member and shall be entitled to only one vote. A "Qualified Voting Member" shall mean a Member who is designated as set forth in the Bylaws as the Voting Member for a Lot who is not otherwise disqualified from voting for failure to timely pay assessments or other infractions of this Declaration, the Bylaws or Rules and Regulations. To forfeit "qualified voting member" status an owner must receive a hearing or adjudicatory process and not prevail as described in N. C. Gen. Stat. §47 F-3-107.1 and §47F-3-102(11) and (12).

1.25 "Mountain Park" – Those residential lots of single family homes prefaced by the letter "V" on a recorded plat and/or deed. These lots, clustered at the base of Straus Park and the southeasterly side of Blueberry Hill Road, are designed to reflect a small town neighborhood atmosphere.

1.26 "Mountain Park Assessments" – The amounts assessed by the Straus Park Mountain Park Owners' Association (or the Master Association if permitted hereby) against Mountain Park Owners to enable such Owners' Association to pay the costs of Mountain Park Maintenance.

1.27 "Mountain Park Maintenance" – The activities of the Straus Park Mountain Park Owners' Association to maintain an attractive appearance

1.28 "Mountainside" – Those residential lots of single family homes prefaced by the letters "M" on a recorded plat and/or deed, (Mountainside), "L" on a recorded plat and/or deed, (Lakeside or Springhouse) or "AC" on a recorded plat and/or deed, (Allison Creek), and "U" on a recorded plat and/or deed, (Blueberry Hill). Located throughout the community and, except for the Blueberry Hill Cottage development, these are generally larger lots of individualized homes.

1.29 "Mountainside Assessments" - The amounts assessed by the Straus Park Mountainside Owners' association (or the Master Association if permitted hereby) against Mountainside Owners to enable such Owners' Association to pay the costs of Mountainside Owners' Association, Inc.

1.30 "Mountainside Common Elements" – The parking areas, private roadways and the Landscaping within the Mountainside Classification, and any areas as may be so designated on the Plat or Plats.

1.31 "Mountainside Maintenance" – The activities of the Straus Park Mountainside Owners' Association to operate, manage, maintain, insure, repair, improve and replace the Mountainside Common Elements.

1.32 "Neighborhood/PUD" – That form of real property development which is generally known as a Planned Unit Development. Within Straus Park, Neighborhoods are subsets of the PUD. Within a Neighborhood, there may be different rules, regulations and/or restrictions that apply as otherwise set forth in this Declaration of Amended and Restated Declaration of Covenants or amendments thereto. Within this document "Neighborhood" and "Classification" may be used interchangeably.

1.33 "Neighborhood Common Elements" – the areas within Neighborhoods that are dedicated for the exclusive use and benefit of all or some the owners of properties within said neighborhood, including, without limitation, private roadways and Landscaping.

1.34 "Non-Residential Lot" – A Lot within the Park Place or Southern Knoll classification (excluding residential condominiums in Southern Knoll which are classified as Straus Ridge Classification).

1.35 "Owner" (or "Owners") – All owners of any part of Straus Park.

1.36 "Owners' Association" – The associations of Owners, established in the manner set forth herein, to serve the respective Classifications, each of which may be incorporated or unincorporated.

1.37 "Owners' Board" – Those persons elected by an Owners' Association to serve as the directors thereof.

1.38 "Owners' Bylaws" – That document which is attached to the Amended and Restated Declaration of Covenants as Exhibit B C, which is to serve as the foundation of the bylaws of the various Owners' Associations, which bylaws may be amended from time to time by each Owners Association for its operation and governance.

1.39 "Park Place" – Lots are restricted to business and professional use, prefaced by the letters "LOT" on a recorded plat and/or deed and located at the main entrance to Straus Park.

1.40 "Park Place Assessments" – The amounts assessed by the Straus Park Place Owners' Association (or the Master Association if permitted hereby) against Park Place Owners to enable such Owners' Association to pay the costs of Park Place Maintenance.

1.41 "Park Place Common Elements" – The parking areas, private roadways, including driveways, and all the Landscaping within the Park Place Classification, and any areas as may be so designated on the Plat or Plats thereof.

1.42 "Park Place Maintenance" – The activities of the Straus Park/Park Place Owners' Association to operate, manage, maintain, insure, repair, improve and replace the Park Place Common Elements.

1.43 “Plans” or “Plans and Specifications” – The layout plans, specifications, site plans, external finishes, vegetation, contractor selection and all other matters required to be provided to the ECC by an Owner, by the Design Manual.

1.44 “Plat” (or “Plats”) – A plat (or plats) of survey of all or a part of Straus Park and recorded, from time to time, in the Transylvania County Register of Deeds.

1.45 “PUD/Neighborhood” - See definition listed under 1.32.

1.46 “Residential Lot” – A Lot within the Mountain Park, Mountainside, Straus Ridge, or Townhome Classification. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single family residence and its customarily accessory buildings and uses. This section excludes lots owned by the City of Brevard for utilities.

1.47 “Rules and Regulations” - The procedural and substantive requirements adopted by the Board in accordance with Section 5.1 below and imposed upon Members of the Master Association, concerning the use of any Lot or Common Area and administrative matters such as appeals to the Board. A copy of the Rules and Regulations shall be kept on file with the Secretary of the Master Association.

1.48 “Southern Knoll” – The property inclusive of Market Street and the parcels of Lot 4 (4.73 acres) and Lot 7 (2.32 acres) adjacent to the Long Meadow. The Market Street lots are restricted to business and commercial use.

1.49 “Southern Knoll Assessments” – The amounts assessed by the Straus Park Southern Knoll Owners’ Association (or the Master Association if permitted hereby) against Southern Knoll Owners to enable such Owners’ Association to pay the costs of Southern Knoll Maintenance.

1.50 “Southern Knoll Common Areas” – The parking areas, private roadways, including driveways, and the Landscaping within the Southern Knoll Classification, and any areas as may be so designated on the Plat or Plats

1.51 “Southern Knoll Maintenance” – The activities of the Straus Park Southern Knoll Association to operate, manage, maintain, insure, repair, improve and replace the Southern Knoll Common Elements.

1.52 “Straus Park” – The mixed-use community developed using such name, pursuant to the Declaration, and which shall include the property described in Transylvania County Deed Book 417, at Page 667 and Deed Book 537, at Page 679, both of the Transylvania County Registry and any other property that may be annexed into the Straus Park community in accordance with Article IV below. Notwithstanding, no part of the property described in Deed Book 417, at Page 667 shall be a part of Straus Park until a Plat thereof is recorded in the Transylvania County Register of Deeds identifying Straus Park or other instrument is recorded indicating that said part is subject to or encumbered by the Original Declaration or by this Declaration.

1.53 "Straus Ridge" – Residential condominiums prefaced by the letters "PH" (phase) and "U" (unit) on a recorded plat and/or deed and located in the neighborhood adjacent to Southern Knoll.

1.54 "Straus Ridge Assessments" – The amounts assessed by the Straus Ridge Owners' Association (or the Master Association if permitted hereby) against Straus Ridge Owners to enable such Owners' Association to pay the costs of Straus Ridge Maintenance.

1.55 "Straus Ridge Common Areas" – The parking areas, private roadways including driveways, and the Landscaping within the Straus Ridge Classification, and any areas as may be so designated on the Plat or Plats or in the recorded declaration creating the condominium .

1.56 "Straus Ridge Maintenance" – The activities of the Straus Park Straus Ridge Association to operate, manage, maintain, insure, repair, improve and replace the Straus Ridge Common Areas.

1.57 "Structure" - Any building, (including, but not limited to, house, barn, garage), lampposts, driveway lights, fence, wall, swimming pool, tennis court, detached antennae, satellite dishes or other receivers/transmitters, mailboxes, flags, signs, fuel tanks, septic systems, dog lots, play sets, and sports equipment or any other thing artificially erected or installed on or under a Lot.

1.58 "Townhome" – The duplex residences, designated by a "T" or "P" on a recorded plat and/or deed and located at the base of Straus Park, bordering the Long Meadow and Lake Straus.

1.59 "Townhome Assessments" – The amounts assessed by the Straus Park Townhome Owners' Association (or the Master Association if permitted hereby) against Townhome Owners to enable such Owners' Association to pay the costs of Townhome Maintenance.

1.60 "Townhome Common Elements" – The obligation and exclusive right to maintain roofs and external finishes of all structures in the Townhome Classification, all landscaping, mailboxes, parking lots and private roadways, including driveways, within the Townhome Classification.

1.61 "Townhome Maintenance" – The activities of the Straus Park Townhome Owners' Association to operate, manage, maintain, insure, repair, improve and replace the Townhome Common Elements.

1.62 "Unified Development Ordinance"--The City of Brevard's Unified Development Ordinance.

1.63 "Voting Margins" - Throughout these Covenants and associated Bylaws, affirmative Voting Margins are set at simple majority, sixty-seven percent (67%) or seventy-five percent (75%) of eligible voters depending upon the particular situation.

## II. GENERAL



2.1 Headnote. This document replaces the original Declaration of Covenants of Straus Park, dated December 31, 1997 as amended to October 26, 1998.

2.2 General Matters. The Declarant/Developer may have from time to time, caused a Plat to be recorded in the Transylvania County Register of Deeds, showing Lots located within certain Classifications of Straus Park. Lots may be improved or unimproved at the time of platting and at the time of sale or lease. Notwithstanding anything to the contrary herein, should a Plat be recorded which, by inadvertence or error, fails to state or improperly state a Lot's Classification, then upon the filing of an amended Plat bearing the statement of the Master Association as to the foregoing, the Lot shall bear the Classification shown on the amended Plat. The Classification Covenants shall be applicable to and bind all Lots with the stated Classification, but shall not apply to the Lots in other Classifications. No use shall be made of any Lot which is contrary to what is permitted in the Declaration or the Classification Covenants applicable thereto. If any portion of the Common Areas or Neighborhood Common Elements encroaches on a Lot, an easement is reserved and created. The Master Association reserves the right to subject all or any part of Straus Park to a contract with a utility company for the installation of lines and/or equipment which may require an initial or continuing payment to such utility company. That payment may be billed directly to the impacted Owner(s) or may be included in the Assessments.

2.3 Adoption of North Carolina Planned Community Act, Chapter 47F. Pursuant to N.C. Gen. Stat. §47F-1-102(d), and upon the consent of more than sixty-seven percent (67%) of the votes in the Master Association, the Straus Park planned community elects to, and by this provision does, adopt the North Carolina Planned Community Act, Chapter 47F with the following exclusions: (1) 47F-2-117 Amendment of declaration, (2) 47F-3-103(c) Executive board members and officers, (3) §47F-3-113 Insurance, and (4) §47F-3-114 Surplus Funds.

### III. COMMON AREAS

3.1 Common Area Uses and Management. The Common Areas are intended to serve Straus Park, its Owners and its residents, and shall include, but are not necessarily limited to, Lake Straus, the Lake House and any other improvements abutting Lake Straus, the Long Meadow, the park areas of Straus Park, any roadway shown on a Plat as a non-publicly maintained roadway (but providing general access), drainage facilities, utility installations, the areas on which directions signage is erected by the Master Association (and such signage), all lights, light poles, curbs, medians, Maintenance Areas, Landscaping materials installed by the Master Association, or by an Owners' Association, and all recreational and/or meeting facilities established hereafter by the Master Association for use of Straus Park occupants. The Master Association is responsible to operate, manage, maintain, repair, insure, improve and replace the Common Areas, as needed. The Master Association may charge reasonable fees for the use of recreational or meeting facilities in the Common Areas to Owners and anyone else permitted by the Master Association to make use thereof. The Neighborhood Common Elements shall be governed and managed by the applicable Classification's Owners' Association, unless the Master Association Board consents to an assignment of such responsibilities to the Master Association. In addition, the Common Areas shall include any other areas or portions of Straus Park as may be so declared by the Master Association from time to time.

The Board of the Master Association has the right, but not the obligation, in its sole discretion to manage the maintenance and operation of the Neighborhood Common Elements when determined by the Board to be in the best interest of the Association, including, without limitation, in the event that a condition or conditions occur within the Neighborhood Common Elements which violate the Declaration, pose a health and safety risk, or substantially impair community property values. Pursuant to that discretion, the Board may, but is not obligated to, assess all or a higher proportionate share of any expenses incurred to those members specially benefitted by the work performed.

3.2 Owner's Common Area Rights. Each Owner shall have the non-exclusive right to the use of the Common Areas, but only in accordance with the provisions hereof, and subject at all times to the control thereof the Master Association and to such Rules and Regulations as are established with respect thereto. Except as may be otherwise set forth herein, the Common Areas shall be operated, managed, repaired, maintained, and controlled by the Master Association. The Common Areas shall remain undivided and no Owner may bring an action for partition with respect thereto.

3.3 Long Meadow. The Long Meadow shall be perpetually kept and maintained by the Master Association in a generally undeveloped state, as a "green area", to serve as a park with pedestrian trails, picnic areas, and structures appropriate thereto, for the benefit of Owners within Straus Park and, on a regulated basis, by others. Further covenants that travel perpetually with the land, resulting from the year 2010 purchase of the Long Meadow from the original declarant may be found in Section XII. Appendix.

#### IV. STRAUS PARK ADDITIONS

4.1 Added Land. To the extent that said property has not been already encumbered by the Amended and Restated Declaration of Covenants for Straus Park, the Master Association, by and through the Board, may, at any time, with the written joinder of the applicable landowner, add to Straus Park areas that are within the bounds of the tract described in Transylvania County Deed Book 417 at Page 667, by the filing of a Plat thereof or other recorded instrument. The Master Association may, at any time, add, with the written joinder of the applicable landowner, other property not described within the boundaries of Deed Book 417, at Page 667 by the filing of a Plat and an amendment hereto in accordance with Article XI describing such area and setting forth its Classification. No new Classification shall be established with respect to such other property, nor shall any use, which is presently not permitted in any Classification, be permitted therein, unless specifically authorized in an amendment in accordance with Article XI.

#### V. USES AND LIMITATIONS

5.1 Governing Documents; Rules and Regulations. All Owners, tenants, contractors and/or invitees within Straus Park shall comply with the governing documents of Straus Park, including this Declaration, the Bylaws and Rules and Regulations authorized by N. C. Gen. Stat. §47F-3-102(1) of the Act. Subject to the provisions hereof, the Master Association Board may establish reasonable Rules and Regulations concerning the use of Lots and Common Areas and facilities

located thereon, including provisions clarifying or supplementing the enforcement procedures set forth below. The Master Association shall furnish or publish current copies of such Rules and Regulations to all Owners prior to the effective date of new or amended Rules and Regulations. Publication can be by mail or email to the addresses as registered with the Secretary of the Association or by posting such amendments in a conspicuous place, such as the Lake House. All Rules and Regulations, and amendments thereto, will be binding upon the Owners, tenants, contractors and/or invitees until and unless any rule or regulation is specifically overruled, cancelled, or modified by the Board or is disapproved by sixty-seven percent (67%) or more of the Qualified Voting Members of the Master Association at an annual or special meeting.

5.2 Procedures for Enforcement of Governing Documents. Except with respect to the failure to pay Assessments, as further defined in Article VIII, the Master Association Board will not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or any other person, including contractor, for violations of this Declaration, Bylaws, or the Rules and Regulations of the Master Association, unless and until the enforcement procedures set forth in the Rules and Regulations are followed. The date of violation shall control which enforcement procedures are followed. Notwithstanding the above, as allowed by law, some violations as more fully defined in the Rules and Regulations trigger automatic fines and/or the right of the Master Association to take self-help remedies without prior notice.

5.2a. Single Family Residential Use. Except as provided for Southern Knoll, including Market Street, and Park Place, a Lot within Straus Park shall only be used for single family residential purposes. "Single family" shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption or having a guardian/ward relationship created by decree of a Court of competent jurisdiction, or a group of not more than two (2) persons not so related, who maintain a common household in a single family residence or who are substantively structured like an integrated family unit.

5.3 Lot Subdivision and Combining Thereof. Except as may be otherwise provided in a conveyance from the Master Association, a Lot shall not be subdivided. "Subdivision" shall mean all divisions of a Lot into two or more lots, building sites, or other divisions when any one or more of those divisions is created for the purpose of sale or building development (whether immediate or future), but not including the adjustment between two adjoining lots of the common boundary line where the total number of lots is not increased and the resultant lots equal or exceed the standards of the City of Brevard as shown in its Unified Development Ordinance. Lots may not be combined, except with the written approval of the Board in accordance with the Rules and Regulations.

5.4 Proper Condition. No part of Straus Park shall be used in a manner, nor shall any condition be allowed to exist thereon, which would constitute a fire hazard, a nuisance or which would produce or allow emanating therefrom noxious odors or fumes, excessive noise or vibrations. All Lots shall be kept in a generally sightly condition free of all foreign material not normally found on lots by the Owner thereof, including the areas on which easements provided for herein exist. No unsanitary condition or anything that is dangerous or hazardous to health shall be permitted to remain on a Lot. All fuel storage tanks and trash receptacles shall be below ground or screened in a manner satisfactory to the ECC. No outside clotheslines or clothes

drying shall be permitted within Straus Park. No boats, trailers, mobile homes, recreational vehicles (including vehicles intended for overnight sleeping or camping) or inoperative vehicles may be stored or kept on any Lot, other than within a closed building, and no such work may be done on a commercial basis. All garages must have their doors kept in a closed condition. No lawn or water ornamentation of any kind, including but not limited to statuary, windmills, pink flamingos, etc. may be placed anywhere in Straus Park, unless approved prior to placement by the ECC. No garish, flashing or unsightly or distasteful signs may be placed anywhere in Straus Park. Other than a sign with the Lot number or address and/or the surname of the Lot occupant, no signs or other advertising material of any kind shall be placed on a Residential Lot except those signs erected with the prior approval of the ECC and in conformity with ECC Design Manual or Rules and Regulations. The foregoing is intended to prohibit "For Sale" and "For Lease" signs on all lots.

5.5 Vegetation. All vegetation on Lots shall be kept in a slightly condition affording a fine view, being mowed (or trimmed) on a reasonably regular basis, with all unsightly visible dangerous dead trees and plants removed on a timely basis by the Lot's Owner at the Lot Owner's expense. All Lots in Straus Park shall be kept in a reasonably natural state, subject to the above, with no live trees on a Lot removed, cut or topped, nor any vegetation cut, trimmed or Landscaped, except as otherwise permitted by the ECC. An Owner shall maintain his or her Lot to substantially eliminate weeds, which are defined to be: (i) noxious or poisonous plants, including but not limited to poison ivy, poison oak or poison sumac, at any height or state of maturity; (ii) plants and/or indigenous grasses which attain such large growth as to become, when dry, a fire menace to adjacent improved property; and (iii) vegetation and/or grasses which, because of height, has a blighting effect on the neighborhood (any such vegetation or grasses shall be presumed to be blighting if they exceed twenty-four inches in height).

5.6 Utility Lines. All utility lines installed by any Owner, shall be underground, except as may be required by any governmental body having jurisdiction thereof or the utility supplier to the contrary. Any above-ground utility equipment shall be appropriately screened, in the manner approved by the ECC.

5.7 Water Courses and Drainage. No creeks or other water courses (including dry beds) within Straus Park shall be dammed, impounded, diverted or have water taken therefrom without Master Association Board permission. However, nothing in this covenant shall be deemed to obstruct that water source for lake or drainage that impacts Master Association property without their consent. No Owner shall unreasonably divert or increase the flow of surface water onto the Lot of another Owner. All Owners shall provide for adequate drainage from their Lots in a reasonable and careful manner, and all such drainage facilities and equipment shall be kept clear and operating by the Owner at all times.

5.8 Plumbing. All occupied structures on Lots must have plumbing systems which are connected to either a central sewer system operated by a municipal system or other approved sewerage disposal system constructed, maintained and operated in accordance with the laws of the State of North Carolina.

5.9 Reception Equipment. As expressly provided by law, without prior approval of the ECC, an Owner may install, at his or her sole expense, (i) antennas that receive television broadcast signals, (ii) satellite dish antennas 39.37 inches or less in size in diameter that receive or transmit video, data or other programming, or (iii) antennas 39.37 inches or less in size in diagonal measurement that receive or transmit video, data or other programming via multipoint distribution services so long as:

- a. Said equipment is installed entirely within the boundaries of the Owner's Lot and within areas exclusively set aside for that Owner's use. Areas that are required by this Declaration to be maintained by the Association shall not be considered "exclusive use" areas;
- b. Said equipment can be safely installed;
- c. The placement of said equipment is in a "Preferred Location" as defined by the ECC, which location may be unique to said Lot based on such considerations, without limitation, as topography, signal reception, costs, safety and/or aesthetics;
- d. The Federal Communications Commission (the "FCC") or any other governmental agency preempts community regulation that is more restrictive than the provisions established in this Section; and
- e. The Straus Park community does not otherwise qualify for an exemption under FCC rules imposing federal limitations on local covenants or rules addressing the installation of equipment described above such as an exemption related to the provision of community antenna or satellite services.

5.10 Animals. No animal shall be allowed to be kept on a Lot, except a reasonable number of ordinary domestic household pets such as cats or dogs. An Owner shall only permit ordinary domesticated dogs or cats to be outside, but no more than a total of four such animals shall be allowed outside on a Lot at any given time. No dog shall be allowed to run free, and no animal shall be permitted to remain within Straus Park in a manner which constitutes a nuisance. All dogs being walked shall be kept on leashes and all dog excrement must be removed and disposed of in a sanitary manner by the person walking the dog. No commercial breeding or storage of animals shall take place within Straus Park. The Rules and Regulations shall govern all matters relating to animals, including but not limited to whether an animal may be kept in Straus Park, and shall be no less restrictive than this covenant nor the city ordinance. The determinations regarding such matters by the Master Association shall be final and binding.

5.11 Motorized Vehicles. Except for self-propelled lawn mowing machinery or snow removal equipment which operates only on a Lot, and for golf carts which are both approved by the ECC and are legally permitted to be operated on public streets and other licensed vehicles which are operated on public streets for the purpose of access to and from the Lots and public roads outside Straus Park, no motorized vehicles of any kind shall be operated within Straus Park (*i.e.* no "joy-riding" on trails or roads). No improperly mufflered vehicle or other vehicle from which emanates excessive noise, smoke or vibration shall be operated within Straus Park, regardless of whether the same is licensed or operated on a road. No motorized vehicles shall be allowed on non-paved surfaces except for purposes of maintenance.

5.12 Temporary Structures. No mobile home, trailer, tent, shed or other structure of a temporary nature may be occupied as a residence, business or office at any time, except the Lot contractor's trailer may be occupied as an office during the construction period only.

5.13 Recreation Equipment. All recreational equipment or facilities including fencing placed on a Lot by someone other than the Master Association Board or an Owners' Association must be sited in rear lawn areas, be of naturally blending colors, be landscape screened, and be approved by the ECC.

5.14 Leasing and Time Sharing. No timesharing type occupancy of less than thirty days or rentals of less than thirty days may be utilized in connection with any Lot. This Section shall not prohibit the operation of a bed and breakfast home or bed and breakfast inn facility in Southern Knoll or Park Place classifications permitting such uses but may not exceed 40% of the parcel's acreage excluding street-rights-of-way, so long as they meet the Covenant standards for the particular classification and none of the facilities are operated in the manner generally known as a time-share for a period of less than thirty days.

In addition the end usage must conform to the standards of the City of Brevard's Unified Development Ordinance (UDO) and in the cases of a bed and breakfast home or a bed and breakfast inn facility particular attention must be paid to Chapter 1, Purpose and Applicability; Chapter 2, District Provisions; Chapter 3, Additional Use Standards and Chapter 5, Building Types and Architectural Standards.

The usage of the underlying lands and surrounds must also be in full compliance with other terms of this Ordinance and other applicable regulations.

5.15 Flags/Banners; Signs. Except for the United States flag or the North Carolina State flag, neither which are regulated by the Association, no ornamental flag, banner or similar device shall be displayed or located within Straus Park of a size greater than four feet by six feet. For any such flag, banner or similar device smaller than four feet by six feet, each Owner shall comply with the Rules and Regulations regarding size, location and duration of display.

All signs on residential lots are prohibited within Straus Park except as provided in the Rules and Regulations, if applicable.

5.16 Discharging of Firearms, Pellet Guns, and Archery Equipment. The discharge of rifles, shotguns, revolvers, pistols and pellet guns or the release of arrows and darts by any person, except safety personnel, is strictly prohibited.

## VI. CONSTRUCTION

6.1 General. No Construction on any Lot (including commercial lots) or Common Area shall occur, unless the same shall have been previously approved in writing in the manner set forth herein by the ECC. The foregoing approval is required for any Construction on a Lot. The ECC shall publish the Design Manual, and may amend them, from time to time, with Board approval. Without limiting what the Design Manual shall address, it is anticipated that the same shall set

forth design and building requirements, Plans review procedures, compliance requirements, administration, and fees which may be charged by the ECC for payment to the Master Association; and compliance deposits (subject to assessment in case of noncompliance), which must be paid prior to the commencement of any Construction on a Lot to reimburse the cost of review and/or to defray the anticipated damage to roadways. No Construction on a Lot or Common Area shall commence or continue if the Plans have not been approved in writing by the ECC, and the required fees paid. The ECC's approval of the Plans is not a warranty of the architect's or engineer's work that was submitted to it and the ECC shall have no liability for any deficiencies thereof. If the ECC declines or disapproves an application from an Owner, the Owner-applicant, and any aggrieved Owner of abutting property, may appeal such decision to the Board pursuant to the appeals process and procedures adopted by the Board in the Rules and Regulation.

6.2 Compliance. No structure shall be occupied prior to receiving the ECC's final compliance inspection approval, meeting all codes and the issuance of a Certificate of Compliance (or the like) therefore, if such Certificate is required by the State of North Carolina, Transylvania County, the City of Brevard or any other governmental authority for lawful occupation of the Lot.

6.3 The ECC. The ECC shall be appointed by the Directors in accordance with the Bylaws. The affairs of the ECC shall be facilitated by an administrator selected by the Master Association Board (who shall vote only to break ties) and shall have five other members, one who must be a licensed or professional Land Planner or Landscape Architect, one who shall be a licensed Architect or Engineer, and three who shall be appointed by the Master Association Board of Directors from the pool of full time Straus Park residents. The ECC professional members may be reasonably compensated by the Master Association, but only from the fees paid. All five members shall have full voting privileges. The ECC may at its discretion elect/appoint a chairperson, unless the Master Association Board has already done so, from the group of three residents. All Owners understand and agree, by acceptance of a deed to a Lot, that the ECC has the discretion whether to approve proposed Plans, which approval shall not be unreasonably withheld or delayed. It shall not be unreasonable for Plans to be rejected solely due to aesthetic considerations, and the same are within the sole and absolute discretion of the ECC.

6.4 Setbacks and Reservations. The minimum required setbacks and build-to lines shall be shown on the Plats, but may be otherwise controlled by the Design Manual. Unless otherwise shown on a Plat, an easement ten feet in width, running parallel to and inside of all Lot boundary lines, for the location, replacement, maintenance and repair of utility lines and related equipment is reserved. If a Plat affirmatively indicates that a different easement exists, then what is shown on the Plat shall control. In addition, the Master Association shall have all other easements shown on any Plat for the purposes shown thereon, whether for installing, replacing, repairing or maintaining drainage facilities, reasonably directing surface or subsurface water changing grades and swales or otherwise. The Master Association reserves unto itself an easement over all portions of each Lot for the purpose of enforcing the provisions hereof. The Master Association may at anytime assign all or portions of its easement rights to utility suppliers or to an Owners'

Association. No easement or right of way for access to property external to Straus Park may be provided by any Owner, unless approved by Master Association.

## VII. MASTER ASSOCIATION

7.1 Formation: The Master Association has been validly formed as a non-profit corporation in accordance with the laws of the State of North Carolina.

7.2 Management. The Master Association shall be managed and operated as set forth in the Bylaws. The Owners' Bylaws set forth the manner of operation of the six Owners' Associations. The Master Association shall, if it decides to establish such a position, select the Community Manager, a salaried employee or a non-salaried contracted person or organization, who shall serve, in effect, as the chief operating officer of Straus Park, in accordance with the Covenants or standards as set forth herein and at the direction of the Master Association Board. Each Owners' Association shall govern the Lots in its Classification, pursuant to the Owners' Bylaws, subject at all times to the Master Association's discretion, but not obligation, to enforce any and all standards in the Declaration, the Classification Covenants and Rules and Regulations.

7.3 Committees. The Master Association Board shall have the authority to create any number of committees and assign to said committees the tasks related to the operation, management, and control over Straus Park. Any such committees, including any Neighborhood committee, may act in an advisory capacity, notifying the Board of recommended action related to Straus Park.

## VIII. ASSESSMENTS/OTHER FEES

8.1 General. Each Owner, by acceptance of a deed to a Lot, covenants and agrees to pay the Assessments levied by the Master Association from time to time. Without intending to limit the uses of the Assessments, the Assessments shall be used for the Maintenance of the Common Areas and for promoting the recreation, health, safety, welfare, common benefit, and enjoyment of all Owners and occupants of Straus Park, all as may be more specifically authorized from time to time by the Board. Further, by deed acceptance, the Owners acknowledge and agree that the Maintenance is a benefit to them and their Lots, that the nature of Straus Park as a diverse-use community results in a variety of Maintenance being required, and that the Assessments uses are sufficiently certain, and shall not fail for lack of sufficiency.

8.2 Levy of Assessments. Should the Master Association own and/or operate any Common Areas which are shown on a Plat as a Limited Common Area, then only the benefited Lot Owners in the Classification so designated shall be assessed in connection therewith. The Master Association shall establish the general Assessments for all Owners. Except with respect to the portion of any Assessment resulting from Limited Common Area, the Assessments on each Residential Lot shall be equal. The Assessments in the Non-Residential Lot Classifications may be determined by the Master Association in cases on unmet maintenance needs. The Board shall determine the Common Expenses to be allocated in such fixed amounts from year to year and the determinations of Assessments by the Master Association shall be binding and controlling. In the



event of a dispute, the Owner must pay the Assessments until otherwise agreed by the Master Association, modified by formal arbitration, (if the Master Association consents thereto), or amended by a court of competent jurisdiction. The regular established Lot Assessments for one year shall not exceed the previous year's regular Assessments on a Lot by more than fifteen (15%) percent, unless consented to by a Majority of Owners of the affected Lots. The Master Association shall establish the amount of the Assessments not later than December 1 of each year for the coming year. The foregoing is not intended to control or deal with the Neighborhood Assessments which have individual needs. Whenever lots are combined, each parcel will be assessed individually.

8.2.1 **User Fees/Charges.** In addition to the foregoing, the Master Association Board shall have the power in accordance with N.C. Gen. Stat. § 47F-3-102(10) of the Act to impose and receive from all Owners any payments, fees or charges for the use, rental, or operation of the Common Areas and for services provided to Owners.

8.3 **Enforcement of Assessments.** As provided in N.C. Gen. Stat. § 47F-3-115, all unpaid Assessments shall bear a late interest charge computed at a rate not exceeding one and one-half percent (1.5%) per month [eighteen percent (18%) per annum] after thirty days from the time the same are due. Further payments received after the due dates are subject to a late processing fee in the amount of \$75.00.

A reminder letter will be sent 30 days after the due date if no payment has been received.

Except as otherwise provided in N.C. Gen. Stat. § 47F-3-116, if an account remains unpaid 90 days after the reminder has been sent, a demand letter will be sent with a statement showing all charges due on the account. The demand letter will state that the delinquent owner is responsible for attorneys' fees and costs incurred in the collection if payment is not received within 15 days from the mailing of the notice.

A continuing Claim of Lien may be placed upon the property against which the Assessment is made when a notice of such lien has been filed in Superior Court of Transylvania County, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of thirty (30) days after the same shall have become due.

In addition, if a lot Owner does not contest the collection of debt and enforcement of a lien after the expiration of the 15-day period following the demand letter notice, the lot Owner shall be liable for unpaid Assessments and collection costs of the Master Association, including reasonable attorneys' fees (less than or equal to one thousand two hundred dollars \$1,200 per event). The lot Owner must be notified in writing of the association's intent to seek payment of attorneys' fees and court costs. The notice must be sent by first-class mail to the property address and, if different, to the mailing address for the lot owner in the association's records. The notice shall set out the outstanding balance due as of the date of the notice and state that the lot owner has 15 days from the mailing of the notice by first-class mail to pay the outstanding balance without the attorneys' fees and court costs. If the lot owner pays the outstanding balance within this period, then the lot owner shall have no obligation to pay attorneys' fees and court costs. The

has 15 days from the mailing of the notice by first-class mail to pay the outstanding balance without the attorneys' fees and court costs. If the lot owner pays the outstanding balance within this period, then the lot owner shall have no obligation to pay attorneys' fees and court costs. The notice shall also inform the lot owner of the opportunity to contact a representative of the association to discuss a payment schedule for the outstanding balance.

During the pendency of an action brought to foreclose a lien for an unpaid Assessment on a lot, by the Master Association, the lot Owner may be required to pay the then applicable annual assessment.

8.4 Neighborhood Assessments. Each of the Owners' Associations responsible for the Maintenance set forth in Sections 1.27, 1.31, 1.42, 1.51, 1.56, 1.61 above shall assess the Owners in such Classification to pay the amounts required to satisfy the costs of Maintaining those items set forth in Sections 1.26, 1.29, 1.40, 1.49, 1.54, 1.59 above. If an Owners' Association fails to properly assess or maintain, the Master Association may make such assessments and/or perform such maintenance and assess the Owners within such Classification.

8.5 Special Assessments. Should the Master Association or an Owners' Association want to assess the Owners for capital improvements or other items not provided for herein, the affirmative vote of sixty-seven percent (67%) of the qualified voting Owners to be so assessed shall be required to adopt such assessment. Non "qualified" shall be construed as having failed to pay assessments when due and payable or for violations of the Amended and Restated Declaration of Covenants, bylaws and rules and regulations of the association and has been through the hearing/adjudicatory process described in N. C. Gen. Stat. §47F-3-107.1 Upkeep of planned community and §47F-3-102(11) and (12) Powers of owners' association.

## IX. NEIGHBORHOODS

9.1 Classifications Bound. The Mountain Park, Mountainside, Park Place, Southern Knoll, Straus Ridge and Townhome Classifications are each Neighborhoods/PUDs within the Development. Market Street is to be construed as a sub-classification of Southern Knoll while Park Place is a stand alone classification. They, Market Street and Park Place, shall be exclusively for commercial businesses and each shall have a seat on the Master Association Board. Upon further residential development of Southern Knoll, a shared representation between Market Street and the residential component of Southern Knoll shall be established on the Master Association Board, using even-numbered years for one and odd-numbered years for the other. For purposes of this Section, "development" shall mean the completed construction (as measured by the issuance of certificates of occupancy by the applicable governmental entity) of at least \_\_\_ living units on the Southern Knoll parcel.

9.2 Neighborhood Common Element Maintenance. The Owners' Associations in the Neighborhood Classifications shall provide Maintenance of the Neighborhood Common Elements located within such Classification to keep them in good Maintenance, and shall assess the Owners within such Classification therefore. Thus, the Straus Park Townhome Owners' Association shall assess the Townhome Owners for the purpose of paying the costs of

Townhome Maintenance of the Townhome Common Elements, the Straus Park/Park Place Owners' Association shall assess the Park Place Owners for the purpose of paying the costs of Park Place Maintenance of the Park Place Common Elements, etc. The Neighborhood Common Elements shall be solely maintained by the Owners' Associations (or by the Master Association if the Owners' Association fails to do so). No Owner may physically affect any Neighborhood Common Elements. The Owners' Associations and the Master Association are hereby granted the perpetual easement and right of way required for them to maintain all Neighborhood Common Elements.

9.3 No Partition. The Neighborhood Common Elements shall remain undivided and no Owner may bring any action for partition with respect thereto.

9.4 Southern Knoll. Notwithstanding anything to the contrary contained in this Declaration, a residential condominium or condominiums created pursuant to the N.C. Gen. Stat. Chapter 47C, the North Carolina Condominium Act (hereinafter the "Condo Act") shall be a permitted residential use within the Southern Knoll, which is otherwise a Non-Residential Lot Classification.

Due to the fact that (i) the Southern Knoll Covenants are primarily designed to govern commercial uses, and (ii) each condominium association will be solely responsible for the maintenance, repair and replacement of the condominium's common elements; those portions of the Southern Knoll, which are developed as residential condominium and which prohibit non-residential uses therein, shall neither be a member of the Straus Park Southern Knoll Owners' Association nor subject to the Southern Knoll Covenants. Any condominium established in the Southern Knoll which permits non-residential uses thereof, shall have its association as a member of the Southern Knoll Owners' Association and shall be subject to the Southern Knoll Covenants.

Every condominium association in Straus Park shall be subject to the Bylaws and the Declaration. Each condominium unit properly established per the Act shall constitute a Lot. The Assessments levied against the condominium Lot Owners shall be collected by the condominium association for each of its unit owners as a part of the condominium association assessments, and shall be paid by such association to the Master Association.

Any condominium declaration for a condominium within Straus Park shall comply with the Condo Act. Each owner of a condominium unit in Straus Park and all condominium associations shall, at all time, comply with provisions of the applicable condominium declaration, as well as complying with this Declaration. Without in any way limiting the rights of Declarant and the Master Association, nor the obligations of anyone seeking to develop a condominium in Straus Park, no condominium shall be built without the prior design and other approvals required of Lot Owners in this Declaration.

The creation, operation, management and ownership of all condominium units established within Straus Park must be in accord with all laws of the State of North Carolina and any other governmental authorities having jurisdiction thereover. Should any provision of the Declaration be contrary to the Condo Act, then the provisions of the Condo Act shall control; and such

contrary provisions shall be deemed severed from the Declaration, but only with respect to the condominium Lot Owners.

Any Lot in the Southern Knoll, which is not developed as a condominium for solely residential use, shall remain subject to Southern Knoll Covenants.

The provisions hereof are intended to be liberally construed to give effect to their apparent intent. The provisions hereof shall inure to the benefit of and bind the successors and assigns and all other owners of property in Straus Park. In the event of any conflict between the provisions herein and those in other portions of this Declaration, the terms herein shall control.

## **X. ENFORCEMENT**

10.1 **General.** Except as otherwise provided herein, each Owner, the Master Association and any Neighborhood association shall have the right to enforce, by proceeding at law or in equity, the provisions set forth herein. No failure by any such party to seek enforcement hereof shall constitute a waiver of such party's rights to enforce the provisions hereof at all times hereafter. Upon the breach of any provision hereof, including the failure to abide by the ECC's decisions or to comply with this Declaration, the Bylaws and the Rules and Regulations, the Owner of the Lot from which the breach emanates shall pay the reasonable attorneys fees incurred by the Association and all other costs of the enforcement hereof. All remedies herein are cumulative.

10.2 **Inurement.** The provisions hereof shall inure to the benefit of and bind all Owners and their respective heirs, successors, assigns, tenants and other persons claiming by, through, or under them. The provisions of this Declaration are not intended to create and do not create any joint venture, partnership or other similar relationship among the Owners. This Declaration shall be construed in accordance with the laws of the State of North Carolina. This Declaration does not grant any rights to the public in general. All provisions hereof are severable in the event that any provision is found to be unenforceable by a court of competent jurisdiction.

10.3 **Limit.** The provisions hereof shall run with and bind Straus Park and the Owners for a period of fifty years from the date this Declaration is recorded, after which time, the term shall be automatically extended for successive periods of ten years each, unless Owners representing at least eighty percent (80%) of all qualified votes (as defined in Section 11.1 below) in the Master Association held by Owners then elect not to extend the term of this Declaration.. Notwithstanding the foregoing, any easements created or reserved herein shall not be affected, modified or terminated by the modification or termination hereof.

## **XI. AMENDMENT**

11.1 **Vote Requirement.** This Declaration shall not be amended unless more than sixty-seven percent (67%) of the qualified voting Owners affirmatively consent to such amendment. Non "qualified" shall be construed as having failed to pay assessments when due and payable or for violations of the Amended and Restated Declaration of Covenants, bylaws and rules and regulations of the association and whose right to vote has been suspended through the

hearing/adjudicatory process described in N. C. Gen. Stat. §47F-3-107.1 Upkeep of planned community and §47F-3-102(11) and (12) Powers of owners' association.

11.2 Amendments to Owners' Association Covenants. Owners' Associations' covenants shall not be amended unless more than sixty-seven percent (67%) of the qualified voting Owners of that association vote affirmatively to effect such amendment. Non "qualified" shall be construed as having failed to pay assessments when due and payable or for violations of the Amended and Restated Declaration of Covenants, bylaws and rules and regulations of the association and has been through the hearing/adjudicatory process described in N. C. Gen. Stat. §47F-3-107.1 Upkeep of planned community and §47F-3-102(11) and (12) Powers of owners' association.

## XII. APPENDIX

Relevant Long Meadow covenants parsed from the Warranty Deed Exhibit "A", dated May 12, 2010 are shown below:

Being all of the Long Meadow at Straus Park containing 14.181 acres, more or less, as shown on a revised plat thereof recorded in Plat File 14, Slides 87-88, Records of Plats for Transylvania County.

The Grantor also hereby assigns and conveys to the Grantee the right to control the manner of development and manner of operation of the Long Meadow reserved by the Grantor under the provisions of Section 3.3 of Article III of the Declaration Covenants for Straus Park recorded in Book 426, page 341, Records of Deeds for Transylvania County, as amended in Book 439, page 156, Records of Deeds for Transylvania County.

This conveyance is made subject to all easements and other matters shown on the recorded plat hereinabove referred to, to the Declaration of Covenants for Straus Park recorded in Book 426, page 341, Records of Deeds for Transylvania County, as amended in Book 439, page 156, Records of Deeds for Transylvania County (said Declaration as amended being hereinafter referred to as "the Declaration"), and to the following additional restrictions each of which is a covenant for the benefit of and shall be enforceable by the members of Straus Park Master Association, Inc., and may not be amended without the affirmative vote of the owners of not less than 75% of the lots in said association:

1. The Long Meadow may not be subdivided and sold in separate parts nor shall it be sold or leased to any entity other than a nonprofit corporation.
2. The Long Meadow shall be perpetually kept and maintained by the owner thereof in a generally undeveloped state, as a "Green Area," to serve as a park with ball fields, pedestrian trails, picnic areas, and structures appropriate thereto, for the benefit of the

owners within Straus Park and, on a basis regulated solely by Straus Park Master Association, Inc., by others.

IN WITNESS WHEREOF the Master Association has caused the due execution of the foregoing as of the day and year above written.

ATTEST: Laura Sedford  
Secretary

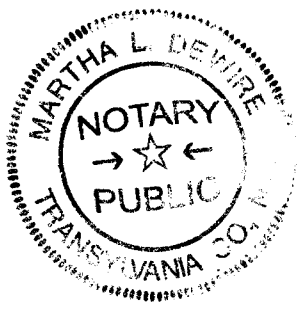
Straus Park Master Association  
By: Charles H. Butz  
President

STATE OF NORTH CAROLINA, COUNTY OF Transylvania

I, Martha L. DeWire a Notary Public of the County and State aforesaid, certify that Charles H. Butz & Laura Sedford personally came before me this day and acknowledged that he/she is Secretary of Straus Park Master Association, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by him/her as the Secretary. Witness my hand and official stamp or seal, this 29<sup>th</sup> day of October, 20 12.

My commission expires: 02/10/2013

Martha L. DeWire  
Notary Public



**Exhibit A**  
**BYLAWS of the STRAUS PARK MASTER ASSOCIATION, INC.**

**ARTICLE I**

**General Matters**

Section 1: All terms defined in the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park ("Amended Declaration of Covenants") to which these Bylaws are attached, shall be deemed similarly defined herein and shall be used without further definition.

Section 2: The Straus Park Master Association is a North Carolina non-profit corporation and shall have all powers incident thereto as provided in N.C. Gen. Statutes Chapter 55A, Non-Profit Corporation Act and Chapter 47F, the North Carolina Planned Community Act.

Section 3: The administrative provisions of these internal or self-governance Bylaws of the Association are applicable to all Lots within Straus Park and all Owners, invitees, licensees, tenants, agents, employees, and occupiers of same. The occupancy and use of every Lot shall also be subject to the Rules and Regulations promulgated by the Board as provided in the Amended Declaration of Covenants. The acquisition, rental, occupancy or use of any Lot shall constitute acceptance of these Bylaws, the Declaration of Protective Covenants, the ECC Design Manual, the Rules and Regulations and amendments thereto and an agreement to comply therewith. Usage shall comply strictly to the provisions of these Bylaws, the ECC Design Manual, and to Rules and Regulations adopted, as any of the same may be lawfully amended from time to time, pursuant hereto.

Section 4: The Master Association will have the responsibility of administering Straus Park, approving the annual budget thereof, establishing the amount of and collecting the Assessments, and managing Straus Park or arranging for its management by a management agent. Except as otherwise provided, decisions and resolutions of the Master Association shall require approval of a majority of the Directors of the Master Association Board of Directors.

**ARTICLE II**

**Rights of Owners**

Section 1: Owners shall have the right to attend the Board of Director's regular and special meetings, other than those determined during the meeting by the Directors to be executive sessions; the subject matter of which is deemed not appropriate for general attendance. Notices of meetings, other than those determined by the Directors to be executive sessions, shall be given to the owners in a written form, which may be included with Assessments bills and may be provided by email or website posting. Owners shall be provided with a reasonable opportunity to address orally or by written petition any Board of Director's meeting, other than those in executive session, but control of the meeting shall always remain with the Directors and presiding officer. During executive session, special invitees and such staff members as the Directors deem appropriate to be necessary are allowed to remain. Discussions and deliberations may be closed on an issue at any time, and a meeting may be declared to be in executive session at any time by a majority vote of the Directors present.

Except for Minutes of Executive Sessions, owners shall be entitled to see, and to receive a copy of, any and all meeting Agendas, meeting Minutes and quarterly Financial summaries; e. g. the operating Balance Sheet, the Reserve Balance Sheet and the ECC Balance Sheet; of the Board on a timely basis, not more

than ten (10) business days from the request as provided for in N.C. Gen. Stat. § 47F-3-118 (b), Association records. Minutes of Executive Sessions shall be available when the purpose for maintaining their privacy is no longer served as determined by the Board.

Section 2: Owners shall have the right to enjoy and use the Common Areas including the Lake House, Lake Straus, the trails, designated park areas and other common area elements, as well as the Long Meadow on a regulated basis.

Section 3: Abutting owners and the Boards of the relevant property associations are entitled to timely notice and to be heard at any meeting prior to a decision being made that would impact their property. For example, if a major exception to an ECC Design Manual standard were being granted to a lot-owner, the adjacent and other directly impacted lot owners are entitled to 30 day notice of the exception under consideration, and to be present and to be heard at the meeting prior to a ruling or decision being made. Decisions made without prior and proper notice to lot owners directly impacted are subject to revocation. The ECC is responsible for ensuring proper notice is made to the membership at large, as well as to the owners and the Owners' Association board(s) of lots directly impacted.

Section 4: Voting privileges by voice, roll call or proxy, if appropriate, are extended to all Qualified Voting Members who meet the following qualifications:

- (1) if a lot is owned by two or more owners or estate trustees then such persons collectively may cast only one vote provided that qualification (3) is met,
- (2) if a lot as a commercial business unit or asset is owned by a private or public corporation then an officer at the corporate address may cast one vote provided that qualification (3) is met, and
- (3) the owner must be current with assessments and is not otherwise disqualified from voting for other infractions of the Declaration of Protective Covenants, these Bylaws or Rules and Regulations.

For purposes of this section a lot shall be construed as any subdivided parcel of land that is shown numbered or lettered on a Plat within a Classification for Straus Park or a condominium unit within Straus Park.

Section 5: If an Owner's privileges or services are suspended for failure to pay assessments, fines, and/or legal fees, the right of access to the Owner's lot is protected.

### **ARTICLE III**

#### **Board of Directors**

Section 1: The affairs of the Master Association shall be governed by a Board of Directors which shall be composed of six persons; preferably full time residents of Straus Park. Four of the Directors shall be the Presidents of the four Owner's Associations, while the fifth and sixth Directors shall be appointed by the Southern Knoll/Market Street and Park Place commercial enterprises by notice thereof provided to the Master Association. At such time as the Southern Knoll region is fully developed with potentially a stand alone condominium and/or a commercial enterprise, their representation on the Master Association shall be combined with Straus Ridge, however, the selected representative need not be from the commercial enterprise.

Directors ideally will not serve more than three consecutive one-year terms. It is intended that terms be staggered to facilitate transition.



Section 2: Meetings of the Master Association shall be held at the principal office of Straus Park or such other suitable place convenient to the Directors, as a majority of them shall select.

Section 3: Annual meetings of the Directors shall be held on the second Monday in December of each year, unless this shall be a legal holiday, in which case the meeting shall be held on the next business day. At such meetings, the Directors shall transact such business of the Master Association as may properly come before them. Regular meetings of the Board of Directors shall occur from time to time as scheduled by the Chairperson thereof.

Section 4: The Chairperson shall call a special meeting of the Board of Directors if so directed by a resolution of the Board of Directors or by a request signed by not less than two Directors and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice thereof unless by consent of Directors having the right to cast four affirmative votes.

Section 5: The Secretary shall provide a notice of each annual, regular or special meeting stating the purpose thereof as well as the time and place where it is to be held to each Director at least ten (10) but not more than sixty (60) days prior to such meeting. Notice shall be emailed, personally delivered or mailed, postage prepaid, to the Director's address as shall have been specified to the Master Association in writing. A notice mailed shall be deemed delivered as the earlier date of actual delivery or the fourth day following mailing.

All Lot owners shall also be noticed by email for all meetings at least ten (10) but not more than sixty (60) days prior to such meeting. For those owners without email service, notification shall be by conventional mail.

Section 6: Robert's Rules of Order Newly Revised shall be used to govern all regular Board of Directors meetings. The order of business at all meetings, unless otherwise agreed to, shall be as follows:

- a. Roll Call
- b. Proof of Notice of Meeting or Waiver of Notice
- c. Reading of minutes of preceding meeting
- d. Reports of Officers
- e. Reports of Committees
- f. Unfinished business
- g. New business
- h. Adjournment

Robert's Rules of Order Newly Revised shall be used to govern all specially called Board of Directors meetings. The order of business at all Special meetings, shall be as follows:

- a. Roll Call
- b. Consideration of business, one or more items, specified in the Notice of the called Special Meeting
- c. Adjournment.

Section 7: Vacancies on the Board of Directors caused by any reason shall be filled primarily by the owner's sub-association in a timely manner. If a timely appointment cannot be made, the Master Association may act to fill the position until such time as the sub-association takes action. Each person so elected or appointed shall be a Director, until a successor is duly elected or appointed.

Section 8: At any regular or special meeting of the Master Association duly called, any one of the Directors previously elected may be removed, for cause, by a vote of not less than five Directors; and their successor shall be elected by the affected owner's sub-association or appointed by the Master Association to fill the vacancy thus created for the remainder of the term. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding any provision of the Declaration of Protective Covenants or these or future bylaws to the contrary, the lot owners, by a majority vote of all persons present and entitled to vote at any meeting of the lot owners at which a quorum [ten (10%) as set forth in N.C. Gen. Stat. § 47F-3-109, Quorums.] is present, may remove any member (director) of the executive board with or without cause.

Section 9: Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by such Director of the time and place thereof if all the Directors are present at any meeting of the Board of Directors. No notice shall be required and any business may be transacted at such meeting.

Section 10: At all meetings of the Board of Directors, the presence of four (4) Directors holding a majority of the votes shall constitute a quorum for the transaction of business, and acts of the majority of the Directors present at a meeting at which a quorum is present shall be acts of the Directors. If at any meeting of the Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11: The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Master Association, and may perform all such acts and things as are not by law prohibited. In addition to the duties elsewhere imposed by these Bylaws or by resolutions of the Master Association Board of Directors, the Directors shall be responsible for overseeing the following:

- (a) Care, upkeep, protection and Maintenance of Straus Park, including but not limited to, all Common Areas;
- (b) Hiring and firing of personnel for the Maintenance of Straus Park, including the Common Areas; and
- (c) Fiscal management of the Master Association, including but not limited to the determination of and collection of all Assessments in accordance with the North Carolina General Statutes, the Declaration and these Bylaws.

Section 12: The Board of Directors may contract with or employ any person, firm or corporation to serve as Community Manager for Straus Park and the Master Association, at a compensation established by the Directors. In addition, the Directors may delegate authority for some or all management of any Common Area to the Classification's Owners' Board, subject to acceptance by that classification's Owners' Association Board. The Board of Directors may terminate or limit such delegation at any time, with the Directors remaining responsible for the proper administration of Straus Park.

Section 13: The Board of Directors shall require that all officers and employees of the Master Association handling or responsible for Master Association funds be provided with adequate fidelity bonds; provided, however, that this provision shall not require that the Treasurer be bonded if, under the terms of any management agreement in effect from time to time, the person, firm or corporation serving as management agent is responsible for collecting and disbursing Assessment funds and is required to

account to the Master Association for said funds at least quarterly. The premiums on necessary fidelity bonds shall be paid by the Master Association.

Section 14: No member of the Board of Directors shall receive any compensation for serving in said capacity, nor shall the expenses of meeting be borne by the Master Association.

Section 15: One (1) or more directors may participate in and vote during any regular or special meeting of the Board of Directors by telephone conference call or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time, and those Directors so participating shall be deemed present at such meeting. Any such meeting at which a quorum prevails shall constitute a meeting of the Board of Directors.

Section 16: The Master Association shall make available, within a reasonable time, upon reasonable request thereof, copies of the Amended Declaration of Covenants; these Bylaws; the Rules and Regulations; and the books, records and financial statements thereof to owners. The Master Association may charge a reasonable amount to compensate it for the copying costs.

Section 17: The Master Association shall represent the owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of any of the Common Areas, or any part thereof; and each owner, by deed acceptance, appoints the Master Association as attorney-in-fact for such purposes. Condemnation minimum loss shall be set at \$2,500. Upon a taking or acquisition of part of all the Common Areas by a condemning authority, the award or proceeds of settlement shall be payable to the Master Association, to restore the adjoining Common Areas, to the extent reasonable, and for the general benefit of the owners affected. No owner shall have any interest in any such award.

## ARTICLE IV

### Officers

Section 1: The principal officers of the Board of Directors shall be Chairperson, Vice Chairperson, Secretary and Treasurer, all of whom shall be elected by the Directors. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary.

Section 2: The officers of the Board of Directors shall be elected annually by the Directors at the organizational meeting of each new Board of Directors. Their term of office shall be for one year terminating with the adjournment *sine die* of the following Annual Meeting. The officers shall hold office at the pleasure of the Board of Directors.

Section 3: Upon affirmative vote of not less than five Directors, any officer may be removed, with or without cause, and his or her successor elected or appointed to fill out the remainder of the term, at any regular meeting of the Board of Directors or at any special meeting of the Directors called for such purpose.

Section 4: The Chairperson shall preside at all meetings of the Board of Directors and shall have all of the general powers and duties which are usually vested in the office of the chief executive officer of an association, including but not limited to the power to appoint committee chairpersons from among the Directors and the Owners from time to time. Committee Chairpersons will appoint committee members. All such appointments shall be subject to the concurrence of the Master Association Board of Directors.

Section 5: The Vice Chairperson shall take the place of the Chairperson and perform such duties whenever the Chairperson shall be absent or unable to act. If neither the Chairperson nor the Vice Chairperson is able to act, the Board of Directors shall appoint some other member as the Chairperson to serve on an interim basis. The Vice Chairperson shall also perform such other duties as shall from time to time be delegated by the Board of Directors.

Section 6: The Secretary shall keep the minutes of all meetings of the Board of Directors; shall have charge of such books and papers as the Directors may direct; and shall, in general, perform all the duties incidental to the office of Secretary.

Section 7: The Treasurer shall have responsibility for Master Association funds and securities. The Treasurer shall be responsible for keeping full and accurate accounts of all receipts and disbursements of funds belonging to the Master Association; and shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Master Association, in such depositories as may from time to time be designated by the Board of Directors. However, if the responsibility of funds has been delegated to a management agent by a contract, the Treasurer shall not be responsible for such of the foregoing matters as have been delegated.

Section 8: All agreements, contracts, deeds, leases, checks, notices and other instruments to be executed on behalf of the of the Master Association shall be executed by any two officers of the Board of Directors (for the purposes hereof, an attesting officer shall be deemed an executing officer) or by such other person(s), firm(s) or corporation(s), including the Community Manager, as may be designated by the Directors. In no event shall any such document only be signed by one signatory except for checks below an amount as set by 5 affirmative votes of the Master Association Board and representing proper disbursement of the Master Association, which may be signed singly by either the Chair or the Treasurer of the Master Association Board.

Section 9: Any perception or possible conflict of interest on the part of a director shall be disclosed to the Board of Directors. Conflict of interest shall be construed as a situation in which regard for one duty leads to disregard of another. Directors are strongly reminded that if they have a conflict of interest, they shall recuse themselves. When any such interest becomes a matter of board action, such director shall not vote or use personal influence on the matter, and shall not be counted in the quorum for a meeting at which board action is to be taken on the interest. The Director may, however, briefly state a position on the matter, and answer pertinent questions of directors. The minutes of all actions taken on such matters shall clearly reflect whether these requirements have been met.

Section 10: Owner residents and commercial interest owners/occupants shall not be qualified to serve as Master Association Directors, Officers, or committee members if they are not current in paying their assessments.

## **ARTICLE V**

### **Standing Committees**

Committees to perform such committee-like tasks and to serve for such periods as may be designated by the Master Association are hereby authorized; each committee shall be composed of and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 1: There shall be the following standing committees: Budget/Finance, City Liaison, Communication, Environmental Control (ECC), Grounds, Lake House Complex and Social.

Section 2: The Chairperson of the Board of Directors shall appoint the chairperson of each standing committee. The other members shall be appointed by the committee chairperson subject to the concurrence of the Master Association Board.

Section 3: With the exception of the ECC, standing committee members shall serve for one year, however, consecutive terms are permitted.

Section 4: All decisions of a standing committee shall be by majority vote. A vacancy in any standing committee shall be filled forthwith by the appointer.

Section 5: At the discretion of the Board of Directors, Ad Hoc, Special or Select Committees may be formed.

## ARTICLE VI

### Fiscal Management of the Association

Section 1: The Directors shall use the following guidelines in the fiscal management of the Master Association:

(a) Receipts and disbursements of the Master Association shall be credited and charged to accounts under the following classifications as shall be appropriate:

(1) Current routine maintenance and administrative expenses, including a reasonable allowance for current contingencies and working funds, other than expenditures chargeable to reserves, and amounts necessary to make up any deficiencies in common expenses for any prior year. Any balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year or shall be transferred to the reserve fund or general operating reserve hereinafter provided for, as determined by the Directors.

Routine maintenance and administrative expenses shall include but not be limited to the following: utility bills and supplies for the Lake House, supplies for the swimming pool and tennis courts, mowing expenses for the Long Meadow, green belts and hiking trails, and other Common Areas, and landscaping expenses for the entrances.

(2) A reserve fund for the purpose of performing periodic, but non-routine maintenance, replacement and repair of or to the Common Areas and for such other purposes as may from time to time appear to be necessary or appropriate to the Directors.

(3) A general operating reserve for the purpose of providing a measure of financial stability during periods of special stress, which may be used to meet deficiencies from time to time as a result of delinquent payment of assessments by Owners of lots in Straus Park and other contingencies, may be established, from time to time, if so desired by the Board.

(4) Procured insurance policies consistent with the Amended Declaration of Covenants obtained and maintained pursuant hereto. Directors and Officers insurance (also covering Committee members) shall apply only to contractual liability.

(b) The Board of Directors shall adopt a budget for each calendar year prior to November 1<sup>st</sup> preceding the calendar year for which the budget is made that shall include the estimated funds required to provide and maintain funds for the foregoing accounts. While the budget shall be determined by the Board of Directors, the amount for any budgeted item may not be increased by more than fifteen (15%) percent over the preceding year's amount unless approved by at least five Directors, or required to preserve the safety of Straus Park.

Section 2: Copies of the proposed budget and proposed Assessments shall be transmitted to each owner on or before December 1st preceding the calendar year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each owner.

Section 3: Within thirty (30) days after adoption of any proposed budget for the planned community, the executive 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 executive board shall set a date for a meeting of the lot owners to consider ratification of the budget; such meeting shall be held not less than ten (10) or more than sixty (60) days after mailing of the summary and meeting notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the lot owners in the association or any larger vote specified in the Amended Declaration of Covenants 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 executive board. See also Article III § 3.

Section 4: The Assessments against a Lot Owner for such Owner's share of the items of the budget shall be made for the calendar year annually, in advance, on or before December 1st preceding the year for which the assessment is made. The total assessments shall be due and payable in full no later than January 31 of the calendar year being assessed. (Property owners holding ten (10) or more lots may elect to pay quarterly.) In the event the annual assessment proves to be insufficient, the budget and the amount of the assessment may be amended at any time during the year by the Directors; subject, however, to the fifteen percent (15%) limitation imposed by the foregoing Section 1(b) of this article.

Section 5: Special Assessments for expenses that are not included in the budget, such as for unanticipated capital expenditures, such as to dredge the lake, such as to effect major repairs to the lake inlet culvert and outflow spillway, such as to preserve the lake's dock/walkway, such as to replace major systems of buildings which have unexpectedly failed and which are Common Areas, and such as *et cetera* shall be made only after notice of the need for such is given to the owners, including a notice of the meeting of the Board of Directors at which the same will be considered. After such notice, and upon approval by at least five of the Directors, the Special Assessment shall become effective, and be due in such manner as the Directors require. Special Assessments are Assessments for the purpose of enforcement thereof.

Section 6: As provided in N.C. Gen. Stat. § 47F-3-115 Assessments for common expenses, all unpaid Assessments shall bear a late interest charge computed at a rate not exceeding one and one-half percent (1.5%) per month [eighteen percent (18%) per annum] after thirty days from the time the same are due. Further payments received after the due dates are subject to a late processing fee in the amount of \$75.00.

A reminder letter will be sent thirty (30) days after the due date if no payment has been received.

As provided in N.C. Gen. Stat. § 47F-3-116 Lien for assessments, if an account remains unpaid thirty (30) days after the reminder has been sent, a demand letter will be sent with a statement showing all charges due on the account. The demand letter will state that the delinquent owner is responsible for attorneys' fees and costs incurred in the collection if payment is not received within fifteen (15) days from the mailing of the notice.

A continuing Claim of Lien may be placed upon the property against which the Assessment is made when a notice of such lien has been filed in Superior Court of Transylvania County, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of thirty (30) days after the same shall have become due.

In addition, if a lot Owner does not contest the collection of debt and enforcement of a lien after the expiration of the 15-day period following the demand letter notice, the lot Owner shall be liable for unpaid Assessments and collection costs of the Master Association, including reasonable attorneys' fees (less than or equal to one thousand two hundred dollars \$1,200 per event). The lot Owner must be notified in writing of the association's intent to seek payment of attorneys' fees and court costs. The notice must be sent by first-class mail to the property address and, if different, to the mailing address for the lot owner in the association's records. The notice shall set out the outstanding balance due as of the date of the notice and state that the lot owner has fifteen (15) days from the mailing of the notice by first-class mail to pay the outstanding balance without the attorneys' fees and court costs. If the lot owner pays the outstanding balance within this period, then the lot owner shall have no obligation to pay attorneys' fees and court costs. The notice shall also inform the lot owner of the opportunity to contact a representative of the association to discuss a payment schedule for the outstanding balance.

During the pendency of an action brought to foreclose a lien for an unpaid Assessment on a lot, by the Master Association, the lot Owner may be required to pay the then applicable annual assessment.

Section 7: The Board of Directors shall be required to obtain and maintain, to the extent obtainable, replacement cost coverage amounts of insurance to provide for fire, smoke and water damages as well as extended coverage insurance on all insurable structures in the Common Areas of Straus Park, adequate liability insurance for matters in the Common Areas and other insurance selected by the Board of Directors in furtherance thereof. All such policies shall provide that adjustment of loss shall be made with the Board of Directors or its designated representatives. The selected policy or policies shall provide that such policies may not be canceled or substantially modified without at least fifteen (15) day's prior written notice to all of the insured, including any Holder named on the affected policy.

The Board of Directors shall as stated in N.C. Gen. Stat. § 47F-3-102 (14) Powers of owners' association, provide for the indemnification of and maintain liability insurance for its officers, executive board, directors, employees, and agents.

Section 8: Owners are not prohibited from carrying other insurance for their own benefit, provided that the liability of the carriers which issue the insurance obtained by the Master Association shall not be affected or diminished by reason of any such additional insurance carried by the Owner.

Section 9: In the event proceeds are received by the Master Association due to an insured casualty, it shall receive and disburse the same as a trustee for the benefit of the Owners in furtherance hereof. The Master Association shall be responsible to replace the damaged or destroyed structures using the insurance proceeds received by it.

## **ARTICLE VII**

### **Liability of Officers and Directors of the Master Association**

Section 1: The Directors, the officers of the Master Association and the ECC shall not be liable to owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct

or bad faith. For purposes of these Bylaws, *misconduct* shall be construed as corrupt misbehavior by an officer in the exercise of the duties of the office or while acting under color of the office and *bad faith* shall be construed as a willful failure to respond to plain, well understood statutory or contractual obligations. The owners shall indemnify and hold harmless each of the said officers, the Directors and the ECC members against all contractual liability to others arising out of contracts made by the said officers or the Directors on behalf of the Master Association or any Owner's Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Amended Declaration of Covenants or of these Bylaws, and against liability from any decisions by the ECC. It is intended that the said officers, the Directors and the ECC shall have no personal liability with respect to any contract made by them on behalf of Straus Park, and that the ECC members have no personal liability with respect to their service with the ECC. If the Directors so elect, they may purchase an insurance policy to indemnify themselves, said officers and the ECC from liability arising out of such service.

## ARTICLE VIII

### Amendment

Section 1: These Bylaws shall only be amended by the affirmative vote of not less than four of the six Directors, or by the affirmative vote of the owners of not less than sixty-seven percent (67%) of the then existing lots. No amendment hereof shall occur without notice of the proposed amendment being provided in the notice of the meeting at which such amendment is to be considered.



**Exhibit B**  
**CLASSIFICATION COVENANTS**

**MARKET STREET [formerly WEST VILLAGE] LOT COVENANTS**

In addition to the provisions set forth in the Protective Covenants, the following covenants are applicable to the above Classification.

1. Lots in this Classification shall be only used for those business and commercial uses that are approved by the Master Association in writing. No adult bookstore, illicit drug paraphernalia store, entertainment facility showing sexually explicit material or business representing itself as primarily being a nightclub, bar or saloon shall be permitted to operate in Straus Park. The businesses operating in this Classification are intended to be reasonably usable by the residents of Straus Park and their guests.
2. Each Owner in the Market Street [West Village] Classification shall pay, upon being invoiced therefore, the Market Street [West Village] Assessments to the Straus Park Market Street [West Village] Owner's Association, which amount is in addition to the Assessments.
3. All signage (including content, size, color and material) must be in conformity with applicable ordinances and must be approved by the ECC. Wherever possible, single signs with multiple face plates shall be used in order to reduce the number of freestanding signs.
4. On-street parking shall be regulated by the ECC, the Straus Park Market Street [West Village] Owner's Association and the Master Association, as permitted by law. Parking spaces shall be reasonably striped and maintained by the Straus Park West Village Owner's Association, and shall conform with all governmental regulations.
5. Any food service facilities operating in the Classification must have an "A" Sanitation Rating. Should a lower Sanitation Rating be assessed and the "A" Sanitation Rating not restored by the next inspection, the Master Association shall have the right to demand the cessation of all restaurant operations until an "A" Sanitation Rating is restored; and upon such demand, such food service operations shall promptly cease.
6. If a Majority of Owners in this Classification so elect, then the Straus Park Market Street [West Village] Owner's Association shall serve as a merchants association, and shall perform the functions customarily attendant thereto. In such event, all occupants of Lots in this Classification must belong thereto and pay any dues assessed thereby, in addition to, or as a part of the Straus Park Market Street [West Village] Assessments. Further, in such event, the Straus Park Market Street [West Village] Owner's Association may provide for common promotional activities and other activities to promote the businesses located within the Classification; and may elect to have its dues collected by the Master Association as a part of the Assessments. In either event, the failure to pay the dues shall be a breach of the Declaration and shall be enforceable in the same manner as the other Assessments.

## MOUNTAIN PARK HOMES LOT COVENANTS

In addition to the provisions set forth in the Protective Covenants, the following Covenants are applicable to Lots in the above Classification.

1. The Lots in this Classification shall only be used for residential purposes; and only one single-family, detached dwelling (and other customary outbuildings approved by the ECC and the Mountain Park Board), shall be placed on each of these Lots. The Lot Owner is responsible for the acts of the occupants and users of the Owner's Lots.
2. The operation of a home office which does (i) not have clients or customers visiting the same, (ii) not cause any goods to be stored or warehoused on a Lot (e.g. an Amway distributorship), (iii) not have any external signage or indication of operation, thereof and (iv) not increase the flow of traffic in any appreciable manner, is considered to be a residential use. If the Straus Park Mountain Park Home Owners Association or the Master Association should, in accordance with the procedures of the same, determine that the operation of a Lot's home office constitutes a nuisance, it shall so notify the Lot Owner and such Owner shall immediately cease and desist therefrom.
3. Each Owner in the Mountain Park Classification shall pay, upon being invoiced therefore, the Mountain Park Assessments levied by the Straus Park Mountain Park Homes Owner's Association, in addition to the Straus Park Master Association Assessments.
4. The number of Plans approved for this Classification is quite limited. The Lot Owner in this Classification understands a uniformity of design and finishes is anticipated and the ECC may elect to allow no deviation therefrom.
5. While the City of Brevard right of way along the roadsides are to be maintained by the Straus Park Master Association, the Lot Owners within the Mountain Park Home Owner's Association shall take reasonable steps at all times to keep their Lots in sightly condition.

## MOUNTAINSIDE HOMESITE LOT COVENANTS

In addition to the provisions set forth in the Protective Covenants, the following covenants are applicable to the above Classification.

1. The Lots in this Classification shall only be used for residential purposes; and only one single family, detached dwelling is permitted to be constructed on each of these Lots. The Lot Owner is responsible for the acts of the occupants and users of the Owner's Lots.
  
2. The operation of a home office which does (i) not have clients or customers visiting the same, (ii) not cause any goods to be stored or warehoused on a Lot (e.g. on Amway distributorship), (iii) not have any external signage or indication of operation, thereof and (iv) not increase the flow of traffic in any appreciable manner, is considered to be a residential use. If the Straus Park Mountainside Homesite Owner's Association or the Master Association should, in accordance with the procedures of the same, determine that the operation of a Lot's home office constitutes a nuisance, it shall so notify the Lot Owner and such Owner shall immediately cease and desist therefrom.

## PARK PLACE LOT COVENANTS

In addition to the provisions set forth in the Protective Covenants, the following covenants are applicable to the above Classification.

1. Lots in this Classification shall be only used for those business and commercial uses that are approved by the Master Association in writing. No adult bookstore, illicit drug paraphernalia store, entertainment facility showing sexually explicit material or business representing itself as primarily being a nightclub, bar or saloon shall be permitted to operate in Straus Park. The businesses operating in this Classification are intended to be reasonably usable by the residents of Straus Park and their guests.
2. Each Owner in the Park Place Classification shall pay, upon being invoiced therefore, the Park Place Assessments to the Straus Park/Park Place Owner's Association, which amount is in addition to the Assessments.
3. All signage (including content, size, color and material) must be in conformity with applicable ordinances and must be approved by the ECC, wherever possible, single signs with multiple face plates shall be used in order to reduce the number of freestanding signs.
4. On-street parking shall be regulated by the ECC, the Straus Park/Park Place Owner's Association and the Master Association, as permitted by law. Parking spaces shall be reasonably striped and maintained by The Straus Park/Park Place Owner's Association, and shall conform with all governmental regulations.
5. Any food service facilities operating in the Classification must have an "A" Sanitation Rating. Should a lower Sanitation Rating be assessed and the "A" Sanitation Rating not restored by the next inspection, the Master Association shall have the right to demand the cessation of all restaurant operations until an "A" Sanitation Rating is restored; and upon such demand, such food service operations shall promptly cease.
6. If a Majority of Owners in this Classification so elect, then the Straus Park/Park Place Owner's Association shall serve as a merchants association, and shall perform the functions customarily attendant thereto. In such event, all occupants of Lots in this Classification must belong thereto and pay any dues assessed thereby, in addition to, or as a part of the Straus Park/Park Place Assessments, Further, in such event, the Straus Park/Park Place Owner's Association may provide for common promotional activities and other activities to promote the businesses located within the Classification; and may elect to have its dues collected by the Master Association as a part of the Assessments. In either event, the failure to pay the dues shall be a breach of the Declaration and shall be enforceable in the same manner as the other Assessments.

## STRAUS RIDGE CONDOMINIUM RULES and REGULATIONS

In order to afford all residents of Straus Ridge Condominium a congenial community, permanent in nature, the Board of Directors of Straus Ridge Association, Inc. (the Association") pursuant to authority contained in the Bylaws of the Association have adopted the following rules and regulation. These rules and regulations are designed to help make life more pleasant for everyone in Straus Ridge Community. All Unit Owners, their families, tenants and guests shall abide by the following rules and regulations:

### APPEARANCE

1. No entrance, stairway, building exterior (including doors and windows:) or any other portion of the Common Elements shall be decorated, painted, altered or changed in any way by any unit owner or occupant without the prior written consent of the Board of Directors of the Association. Privacy shades of any type shall not be installed on any porch, patio or deck without the prior written consent of the Board of Directors of the Association.

2. No article shall be placed in the entrances or stairways nor shall anything be hung or shaken from the balconies or patios. No clothing or other articles shall be hung in the Common Elements or on any portion of any balcony, deck or patio. No clothes lines shall be permitted outside the unit.

3. Each unit owner shall keep his unit in a good state of preservation and cleanliness and shall not throw or permit to be thrown there from, or from the doors, windows, balconies or patios thereof, any dirt or other substance. Unit Owners shall maintain in good condition and repair all interior surfaces and fixtures in their units.

4. Any blinds or window treatments visible from the outside that are other than white must have prior written approval of the Board of Directors.

5. Except as provided below, no radio or television antennas, satellite dish or other reception device shall be attached to or hung from the exterior of any building including the roof without the prior written approval of the Board of Directors. Any such device erected on the roof or exterior of any building by any unit owner is subject to removal without notice. Satellite dishes no larger than 18 inches in diameter may be allowed to be attached to any unit, provided the number of such dishes and the color and exact location of any such dish must be approved, in writing, by the directors of the Association and the location of any such dish may not be changed. Any such dish that is not actively being used for television reception must be removed. Upon removal, the owner of the dish will repair any damage.

6. No owner shall do any painting or decorating, of the exterior of his unit or any building or make any alterations or construct any improvements to the exterior of the buildings or any of the Common Elements without prior written approval of the Board of Directors.

7. Sidewalks, entrances, passages, roads and parking areas shall not be used as play areas and shall be kept clear and passable at all times.

8. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any unit owner or occupant of any unit on any part of the outside or inside (if visible from the outside) of his unit without the prior written consent of the Board of Directors of the Association. Any sign, advertisement, notice or lettering so displayed in violation of this regulation shall be subject to removal without notice.

9. No awnings or other projections shall be attached to the outside walls of the building and no other modifications shall be permitted to the exterior of any building without the prior written consent of the Board of Directors of the Association

10. All garbage and refuse must be taken to the common dumpster. No trash cans shall be placed, kept or maintained outside any unit.

11. No new planting or changes in the existing planting or landscaping may be made without prior written consent of the Board of Directors of the Association.

12. No garbage cans, supplies of any type, milk bottles or other articles shall be placed or kept in or upon the Common Elements.

#### PARKING AND STORAGE

1. No bicycles or similar vehicles or other personal articles shall be stored in the entrances, stairways or Common Elements of the buildings except as approved in writing by the Board of Directors of the Association.

2. No vehicle belonging to any unit owner, a member of his family, guest, or tenant of an owner shall be parked in such manner to impede or prevent ready access to the remaining parking areas. The Unit Owners, visitors, licensees and the Unit Owners' families will obey the posted parking regulations and any other traffic regulations published in the future for the safety, comfort and convenience of the Unit Owners.

3. The Board of Directors may, in its discretion, elect to assign specific parking spaces to specific units, and if parking places are so assigned, each unit owner will be bound by such decision and will abide by such rules and regulations as may be established in such regard.

4. No boats, trailers, campers, recreational vehicles, buses, travel trailers, tents, boat trailers, mini bikes or other such items shall be parked or stored in parking areas or any other part of the property. No trucks larger than a van or pickup truck will be parked on any parking areas of the property and if such van or pickup truck is used for any commercial purpose, it shall have no outside equipment or unsightly material.

#### GARAGES

1. Garages shall be used only for the parking of standard passenger automobiles, vans, pickup trucks and motorcycles and for the storage of other personal property. All garages shall be kept in a neat and orderly appearance. Garages may not be used in any manner as a living area. No person shall be allowed to reside in any garage. Garage doors shall at all times be kept closed.

#### DISTURBANCES

1. No owner shall make or permit any noises that will disturb or annoy the occupants of the buildings or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other owners. PLEASE BE CONSIDERATE OF YOUR NEIGHBORS. EXCESSIVE NOISE FROM PARTIES, STEREOS, TV, ETC., CAN RUIN OUR FINE COMMUNITY. No owner shall play upon, or suffer to be played upon, any musical instrument or operate or suffer to be operated a phonograph, television set, radio or musical instrument, or other electrical devise designed for the transmission and reproduction of sound, in any unit between the hours of 10:30 p.m. and the following 8:00 am., if the same shall disturb occupants of other traits. No unit, owner or occupant of any unit shall give nor permit to be given vocal or instrumental instruction at any time in his unit if complaint shall be made by an adjoining unit owner because of sound emissions.

2. No discharge of firearms or fireworks shall be permitted on any part of the Condominium.

#### UTILITIES

1. Water closets (commodes) and other water apparatus in the buildings shall not be used for any purposes other than those for which they were constructed nor shall any sweeping, rubbish, rags, paper, ashes, or any other article be thrown into same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the owner in whose unit it shall have been caused.

2. No owner shall interfere in any manner with any portion of the common lighting apparatus in or about the buildings.

3. All Unit Owners must insure that a temperature of at least 55 degrees is maintained in their unit throughout the cold season in order to prevent freezing of pipes.

4. Unit Owners shall promptly pay all bills for utilities metered separately to their units.

5. All plumbing and electrical repairs within a unit shall be the responsibility of the owner of that unit and shall be paid for by such owner.

No animals, livestock, or poultry of any kind may be raised, bred or kept on any part of the Property, or Condominium except for small household pets, one dog and/or cat not to exceed 30 pounds. Exception- must have prior written approval of the Board of Directors. Such may be kept by their respective owners only, in their respective units, provided that they are not kept,

bred or maintained for any commercial purposes and do not endanger the health of or, in the sole discretion of the Board of Directors of the Association, unreasonably disturb the owner of any unit or any resident thereof. All pet owners shall be responsible for exercising such care and restraint as is necessary to prevent their pet from being or becoming obnoxious or offensive on account of noise, odor, unsanitary conditions or other nuisance. Dogs outside units must be kept on a leash, and owners are responsible for picking up excrement. No savage or dangerous animal shall be kept or permitted on the property or in any unit, No pets may be permitted to run loose upon the Common Elements and any unit owner who causes or permits any animal to be brought or kept upon the Condominium. Property shall indemnify and hold harmless the Association for and from any loss, damage or liability which it sustains as a result of the presence of such animal upon the Condominium Property.

#### GENERAL

1. No immoral, improper, offensive or unlawful use shall be made of the condominium property nor any part thereof; further, no use shall be made which would be in violation of any federal, state, county or municipal law, statute, ordinance, or administrative rule, or which would be injurious to the reputation of the condominium.

2. Unit Owners shall be held responsible for the actions of their children, guests, invitees and their pets.

3. The Association assumes no liability for nor shall it be liable for any loss or damage to articles left or stored in the Common Elements.

4. Sidewalks and entrances must not be obstructed and shall not be used for any purpose other than ingress, egress and regress to and from the premises.

5. The washing of cars or any other type vehicle on any part of the Condominium property is absolutely prohibited.

6. Major vehicle maintenance or repair is not permitted on any part of the Condominium Property.

7. No unit owners or residents shall direct, supervise or in any manner attempt to assert any control over any employees of the Association or the Managing Agent.

8. In the event of a Management Agreement between the Association and a Managing Agent, routine enforcement of these rules and regulations, shall be the responsibility of the Board of Directors and the Managing Agent and they shall have full responsibility to implement and apply the rules and regulations in accordance with established procedure.

9. Any consent or approval given under these community rules by the Board of Directors of the Association shall be revocable at any time.



10. Complaints regarding the service of the buildings and grounds or regarding actions of other owners shall be made in writing to the Management Company and sent to:

Deer Ridge Property Management  
7737 Greenville Highway  
Brevard, NC 28712  
(828) 862-8134  
[www.DeerRidgePM.com](http://www.DeerRidgePM.com)

11. No charcoal grills will be permitted under covered porches.

## TOWNHOME LOT COVENANTS

In addition to the provisions set forth in the Protective Covenants, the following covenants are applicable to the above Classification.

1. The Lots in this Classification shall only be used for residential purposes. The residences shall be for single family occupancy only, but may be attached or detached, including row townhouses. Residences in this Classification are part of a planned unit development project, within Straus Park. The Lot Owner is responsible for the acts of the occupants and users of the Owner's Lots.

2. The operation of a home office which does (i) not have clients or customers visiting the same, (ii) not cause any goods to be stored or warehoused on a Lot (e.g. on Amway distributorship), (iii) not have any external signage or indication of operation, thereof and (iv) not increase the flow of traffic in any appreciable manner, is considered to be a residential use. If the Straus Park Townhome Owner's Association or the Master Association should, in accordance with the procedures of the same, determine that the operation of a Lot's home office constitutes a nuisance, it shall so notify the Lot Owner and such Owner shall immediately cease and desist therefrom.

3. Each Owner in the Townhome Classification shall pay, upon being invoiced therefor, the Townhome Assessments levied by the Straus Park Townhome Owner's Association, which is in addition to the Assessments.

4. Except to a licensed general contractor who is purchasing a Lot to construct a residence thereon and to sell the same, or as otherwise approved by Declarant, no Lot in this Classification shall be sold without a residence already constructed thereon or pursuant to a contract of sale which includes the construction of a residence as a part thereof. The number of Plans approved for this Classification is quite limited. The Lot Owner in this Classification understands a uniformity of design and finishes is anticipated and Declarant and the ECC may elect to allow no deviation therefrom.

5. While the Townhome Common Elements are to be maintained by the Straus Park Townhome Owner's Association, the Lot Owners within this Classification shall take reasonable steps at all times to keep the non-PhD Element portions of the Lot in slightly condition.

**Exhibit C**

**STRAUS PARK OWNER'S ASSOCIATIONS**

**BYLAWS**

**ARTICLE I**

**General Matters**

Section 1: All terms defined in the Declaration to which these Bylaws are attached, shall be deemed similarly defined herein and shall be used without further definition.

Section 2: These Bylaws are intended to serve as the Bylaws for each Owner's Association. While the above caption does not make reference to a particular Owner's Association, these Bylaws are those of each separate Owner's Association and shall govern each Owner's Association, to the same extent as if the caption was Bylaws of Straus Park Mountainside Homesite Owner's Association, Bylaws of Straus Park West Village Owner's Association, Bylaws of Straus Park Townhome Owner's Association, Bylaws of Straus Park/Park Place Owner's Association or Bylaws of Straus Park Mountain Park Homes Owner's Association. While these Bylaws are to be used by all Owner's Associations, except as may be otherwise set forth hereafter, each Owner's Association shall operate and act separately and independently from each other. Each Owner's Association may, but need not, be incorporated as a non-profit corporation pursuant to N.C.G.S. 55A.

Section 3: The provisions of these Bylaws are applicable to the respective Classification's Lots and the occupancy and use thereof

Section 4: All Owners, invitees, licensees, tenants, agents, or their employees or any other person that occupies or uses any property in the Classification in any manner, are subject to the provisions of these Bylaws and to Rules and Regulations adopted, from time to time, pursuant hereto.

Section 5: The acquisition, rental, occupancy or use of any Lot in the Classification shall constitute acceptance of these Bylaws, the Declaration, the Rules and Regulations and amendments thereto and an agreement to comply therewith.

Section 6: The Owner's Association shall have the responsibility of administering the Lots in such Association's Classification, subject at all times to the control of the Master Association. The Owner's Associations are intended to act as a representative of the Classification's Owners to the Master Association, and to take care of routine non-legal matters which do not affect Straus Park in general. Notwithstanding the foregoing, in the PUD Classifications, the Owner's Board shall have the responsibility and authority to make the PUD Assessments and provide for the Maintenance of the PUD Elements therein.

## ARTICLE II

### **Voting, Majority of Owners, Quorum, Proxies**

Section 1: Voting shall be based on Lot ownership (one Lot-one vote). Where a Lot is owned by more than one person or entity, such persons or entities shall designate, by agreement in writing filed with the Owner's Board of the Owner's Association, the person entitled to cast the vote for the Lot.

Section 2: As used in these Bylaws, the term "Owner" refers to an Owner of a Lot in the applicable Classification (e.g. a Mountainside Homesite Lot Owner, a West Village Lot Owner, etc.).

Section 3: Except as otherwise provided in these Bylaws, the presence in person or by proxy of a Majority of Owners at any meeting shall constitute a quorum.

Section 4: Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary before the appointed time of any meeting.

Section 5: In the event of deadlock between conflicting interests, the same shall be resolved by mediation. If no formal mediation procedure exists, each interest shall appoint a mediator, a third mediator shall be appointed by the Master Association and the majority decision of the three mediators shall be binding.

## ARTICLE III

### **Administration**

Section 1: The Owner's Association, acting through the Owner's Board shall advise the Master Association regarding the administration of the Owner's Board's Classification. The Master Association's Directors may, from time to time, delegate its powers to manage and enforce the Declaration to the Owner's Board in its Classification. Except as otherwise provided, decisions and resolutions of the Owner's Association shall require approval by its Owner's Board.

Section 2: Meetings of the Owner's Association shall be held at the principal office of Straus Park or such other suitable place convenient to the Owners as may be designated by the Owner's Board.

Section 3: The first annual meeting of the Owner's Association shall be held on the \_\_\_ day of \_\_\_\_\_, 1998 and shall be chaired by an appointee of Declarant. Thereafter, the annual meetings of the Association shall be held on the first or second Wednesday in November of each succeeding year, unless this shall be a legal holiday, in which case the meeting shall be held on the next business day. The choice of day shall be made by the Owner's Board so that the Owner's meetings of the Residential Lot Classifications and the Non-Residential Lot Classifications shall be held on different days. At such meetings, the Owner's Board shall be elected by ballot of the Owners, in accordance with the requirements of these Bylaws. The

Owners may also transact such other business of the Association as may properly come before them.

Section 4: The President shall call a special meeting of the Owners, if so directed by a resolution of the Owner's Board or by a petition signed by a not less than one-third of the Owners and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice thereof, unless by consent of Owners having the right to cast eighty percent of such Classification's votes.

Section 5: The Secretary shall provide a notice of each annual or special meeting stating the purpose thereof as well as the time and place where it is to be held to each Owner at least ten (10) but not more than sixty (60) days prior to such meeting. Notice shall be personally delivered or mailed, postage prepaid, to the Owner's address within Straus Park or at such other address as an Owner shall have specified to the Owner's Association in writing. A notice mailed shall be deemed delivered the earlier of actual delivery or third day following mailing.

Section 6: If any meeting of Owners does not have a quorum present, the Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight hours from the time the original meeting was called, notice of which shall be provided to all Owners not then present.

Section 7: Robert's Rules of Order shall be used at all meetings of Owners. The order of business at all meetings of the Owners shall be as follows, unless otherwise agreed:

- a. Roll Call
- b. Proof of Notice of Meeting or Waiver of Notice
- c. Reading of minutes of preceding meeting
- d. Reports of Officers
- e. Reports of Committees
- f. Election of Directors (when so required)
- g. Unfinished business
- h. New business.

Section 8: The Owner's Association shall make available, within a reasonable time, upon reasonable request therefore, copies of the Declaration, these Bylaws, and the Rules to Owners and Holders. The Owner's Association may charge a reasonable amount to compensate it for the copying costs.

Section 9: While the Master Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, the Owner's Board shall make Master Association aware of the wishes of the Owners with respect thereto. In the event of a taking or acquisition of part of all the Common Areas by a condemning authority, the award or proceeds of settlement shall be payable to the Master Association, for the use and benefit of the Owners as required by the Declaration.

## ARTICLE IV

### Board of Directors

Section 1: The affairs of the Owner's Association shall be governed by the Owners Board, which shall be composed of not less than three persons nor more than five persons. Each member of the Owner's Board shall be either the owner of a Lot, have an interest therein, or be proposed by one of the foregoing.

Section 2: The Owner's Board shall have the powers and duties necessary for it to perform the acts set forth in Article I Section 6 above, to advise the Master Association in its administration of the affairs of the Owner's Association's Classification and may do all such acts and things as are approved by the Master Association, which are not by law prohibited or by these Bylaws directed to be done by someone else. In addition, the Owner's Association shall serve as the governing body of the Classification, with the power to do all things necessary to perform such function, unless prohibited hereby, and subject at times to the control of the Master Association.

Section 3: At the first annual meeting of the Owner's Association, the Owner s Board shall be elected with the term of office of at least one director being fixed to expire upon the date of the second annual meeting of the Owner's Association, at least one fixed to expire upon the date of the third annual meeting and one on the fourth annual meeting of the Owner s Association thereafter. No director shall be elected for longer term than three years. At the expiration of the initial term of office of each respective director, his successor shall be elected to serve a term of three years. The directors shall hold office until their successors have been elected.

Section 4: Vacancies on the Owner's Board caused by any reason other than the removal of a director by a vote of the Owner's Association shall be filled by vote of the majority of the then remaining directors even though they may constitute less than a quorum; and each person so elected shall be director until a successor is elected at the next annual meeting of the Owner's Association.

Section 5: At any regular or special meeting of the Owner's Association duly called, any one or more of the directors previously elected by the Owners may be removed, with or without cause, by a Majority of the Owners; and their successors may then and there be elected by a Majority of the Owners to fill the vacancy thus created. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 6: The first meeting of a newly elected Owner's Board shall be held within five (5) days of election, at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting, providing a majority of the Owner's Board shall be present.

Section 7: Regular meetings of the Owner's Board may be held at such time and place as shall be determined, from time to time, by a majority of directors. Notice of regular meetings of the Owner's Board shall be given to each director, personally or by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 8: Special meetings of the Owner's Board may be called by the President of the Owner's Association on three (3) days' notice to each director given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of meeting. Special meetings of the Owner's Board shall also be called by the President or Secretary in like manner and on like notice upon the written request of a majority of the Owner's Board directors. Except for what is set forth in the notice of the special meeting, nothing shall be considered, unless consented to at the meeting by at least two thirds of all elected directors.

Section 9: Before or at any meeting of the Owner's Board, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Owner's Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Owner's Board, no notice shall be required and any business may be transacted at such meeting.

Section 10: At all meetings of the Owner's Board, a majority of the directors then in office shall constitute a quorum for the transaction of business and acts of the majority of the directors present at a meeting at which a quorum is present shall be acts of the Owner's Board. If at any meeting of the Owner's Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, and business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11: No member of the Owner's Board shall receive any compensation for serving in said capacity, nor shall the expenses of meeting be borne by the Owners Association.

## ARTICLE V

### Officers

Section 1: The principal officers of the Owner's Association shall be President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Owner's Board. The Owner's Board may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary.

Section 2: The officers of the Owner's Association shall be elected annually by the Owner's Board at the organization meeting of each new Owner's Board, and they shall hold office at the pleasure of the Owner's Board.

Section 3: Upon affirmative vote of a majority of the members of the Owner's Board, any officer may be removed, with or without cause, and his successor elected at any regular meeting of the Owner's Board or at any special meeting of the Owners Board called for such purpose.

Section 4: The President shall be the Chief Executive Officer of the Owners Association. The President shall also serve as a Director of the Master Association. The President shall preside at all meetings of the Owner's Association and of the Owner's Board and shall have all of the

general powers and duties which are usually vested in the office of President of an association, including but not limited to the powers to appoint committees from among the Owners from time to time.

Section 5: The Vice President shall take the place of the President and perform such duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Owner's Board shall appoint some other members of the Owner's Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated by the Owner's Board. Notwithstanding the foregoing, the Vice President shall not take the place of the President as a Master Association Director in the temporary absence of the President.

Section 6: The Secretary shall keep the minutes of all meetings of the Owner's Board and the minutes of all meetings of the Owner's Association; shall have charge of such books and papers as the Owner's Board may direct; and shall, in general, perform all the duties incident to the office of Secretary.

Section 7: The Treasurer shall have responsibility for any Owner's Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Owner's Association, and shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Owner's Association, in such depositories as may from time to time be designated by the Owner's Board.

Section 8: All agreements, contracts, deeds, leases, checks, notices and other instruments to be executed on behalf of the Owner's Association shall be executed by any two officers (for the purposes hereof, an attesting officer shall be deemed an executing officer) of the Owner's Association. In no event shall any such document only be signed by one signatory.

Section 9: No officer shall receive any compensation for serving in said capacity, nor shall the expenses of meeting be borne by the Owner's Association.

## **ARTICLE VI**

### **Fiscal Management of the Association**

Section 1: While the ultimate responsibility for the collection and handling of Assessments and funds is that of the Master Association, the Owner's Association may be delegated the responsibility for some or all the Classification's funds, or may be authorized by the Owners to impose and collect dues or other charges. Reasonable and prudent measures in the receipt, disbursement, and record-keeping shall be employed at all times by the Owner's Association in the care of funds. While not anticipated, in the event any insurance or condemnation proceeds are received by the Owner's Association as a result of a taking or an insured casualty, it shall receive and disburse the same as a trustee for the benefit of the affected Owners. Further, in each of the PUD Classifications, the Owner's Board thereof shall levy the PUD Assessment therein, and shall receive and disburse funds in accordance with the provisions of Article V Section 1 of the Bylaws (not the Owner's Bylaws); except that references therein to Directors shall mean the



directors of the Owner's Board, and the reserve shall be for the repairs and replacement of the PUD Elements in such Classifications and not of the Common Areas.

#### **ARTICLE VII**

##### **Liability of Officers and Directors of the Owner's Association**

Section 1: The directors and the officers of the Owner's Association shall not be liable to Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Owners shall indemnify and hold harmless each of the said officers and the directors against all contractual liability to others arising out of contracts made by the said officers or the directors on behalf of the Owner's Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws. It is intended that the said officers and the directors shall have no personal liability with respect to any contract made by them on behalf of Straus Park. If the directors so elect, they may purchase an insurance policy to indemnify themselves and said officers from liability arising out of such service.

#### **ARTICLE VIII**

##### **Amendment**

Section 1: These Bylaws may be amended by the affirmative vote of not less than sixty percent (60%) of the Owner's Board or by the affirmative vote of not less than seventy five percent (75%) of the Owners of the Lots in such classification. No amendment hereof shall occur prior to the Release Date without the assent of Declarant. No amendment hereof shall occur without notice of the proposed amendment being provided in the notice of the meeting at which such amendment is to be considered.

**SECRETARY'S CERTIFICATION**

I, Laura Ledford being the Secretary of Straus Park Master Association, Inc., do hereby certify that the foregoing Amendment was agreed to in writing by more than sixty-seven percent (67%) of the lot owners.

Laura Ledford  
Print Name: Laura Ledford  
Secretary of Straus Park Master Association, Inc.

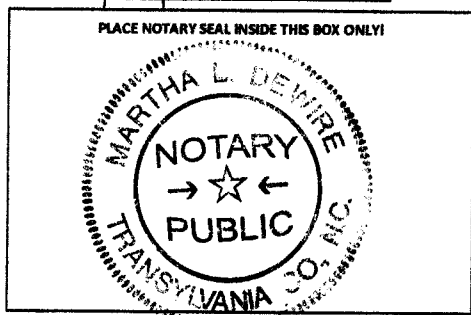
\*\*\*\*\*  
STATE OF North Carolina COUNTY OF Transylvania  
\*\*\*\*\*

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document in the capacity indicated: Laura Ledford

Date: 10/29/2012

Martha L. DeWine

Notary Public



Martha L. DeWine

(Printed Name of Notary)

My Commission Expires: 02/10/2013



**2014000361**

TRANSYLVANIA CO, NC FEE \$70.00  
PRESENTED & RECORDED:

01-29-2014 03:53:15 PM

CINDY M OWNBEY

REGISTER OF DEEDS  
BY: KARIN SMITH  
DEPUTY REGISTER OF DEEDS

**BK: DOC 683**

**PG: 384-409**

AMENDMENT TO THE AMENDED AND RESTATED  
DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS AND  
CONDITIONS FOR STRAUS PARK

This Amendment to the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park is made this 28<sup>th</sup> day of January, 2014, by STRAUS PARK MASTER ASSOCIATION, INC. (hereinafter sometimes referred to as "the Master Association").

W I T N E S S E T H:

THAT WHEREAS, on December 31, 1997, STRAUS PARK DEVELOPMENT COMPANY ("Declarant") recorded a set of covenants for Straus Park in the office of the Register of Deeds for Transylvania County, in Deed Book 426, page 341 ("the Original Declaration"), creating therein a general scheme of development for a mixed use planned community located within the City of Brevard, North Carolina; and

WHEREAS, the Original Declaration was amended on October 26, 1998, in an amendment which was recorded in the office of the Register of Deeds for Transylvania County in Deed Book 439, page 156; and

WHEREAS, in May, 2010, the Long Meadow acreage parcel together with other additional parcels located within Straus Park

were acquired by the Master Association from the Declarant in a deed containing special restrictions which were applicable to the land described in said deed which was recorded in the office of the Register of Deeds for Transylvania County on May 18, 2010, in Document Book 537, page 679; and

WHEREAS, the Original Declaration was again amended as of May 29, 2012, by the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park which was recorded in the office of the Register of Deeds for Transylvania County on November 14, 2012, in Document Book 633, page 115, ("the Amended Declaration") which was subsequently corrected and rerecorded on December 6, 2012, in Document Book 635, page 554; and

WHEREAS, Section 11.1 of Article XI of the Amended Declaration states that the Amended Declaration shall not be amended unless more than sixty-seven percent (67%) of the qualified voting Owners affirmatively consent to such amendment, and Section 11.2 of Article XI states that Owners' Associations' covenants shall not be amended unless more than sixty-seven percent (67%) of the qualified voting Owners of that association vote affirmatively to effect such amendment; and

WHEREAS, more than sixty-seven percent (67%) of the qualified voting Owners in the Park Place, Southern Knoll (formerly known as Market Street and earlier as West Village), Townhome and Mountain Park Owners' Associations have given their

written consent to those amendments to the classification covenants which are applicable to their respective lot classifications which are incorporated in and form a portion of the classification covenants which are attached hereto, designated as Exhibit B and incorporated herein by reference, and not less than sixty percent (60%) of the members of the Owners' Board of each of the Straus Park Owners' Associations have affirmatively voted to adopt the new bylaws for each Owners' Association which are attached hereto, designated as Exhibit C and incorporated herein by reference.

NOW, THEREFORE, in consideration of the foregoing, and pursuant to the provisions of Sections 11.1 and 11.2 of Article XI of the Amended Declaration, the Master Association hereby amends the Amended and Restated Declaration of Covenants, Restrictions, Easements and Conditions for Straus Park recorded in the office of the Register of Deeds for Transylvania County, in Document Book 633, page 115, as corrected and rerecorded in Document Book 635, page 554, by (1) deleting all of Exhibit B thereto and substituting in lieu thereof the revised Exhibit B which is attached hereto and incorporated herein by reference which contains, in addition to those lot covenants which are not being amended, those amendments to the lot covenants for the Park Place, Southern Knoll (formerly known as Market Street and earlier as West Village), Townhome and Mountain Park lot

classifications which have been consented to by more than sixty-seven percent (67%) of the qualified voting Owners in the Park Place, Southern Knoll, Townhome and Mountain Park Owners' Associations, and (2) by deleting the bylaws for the Straus Park Owners' Associations which were attached to the Amended Declaration as Exhibit C and substituting in lieu thereof the new bylaws which are attached hereto, designated as Exhibit C and incorporated herein by reference.

IN WITNESS WHEREOF, the Master Association has caused the due execution of the foregoing as of the day and year first above written.

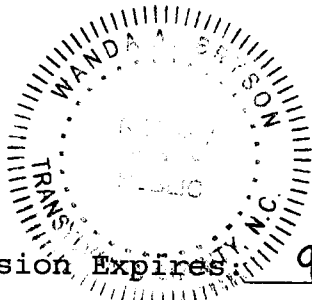
STRAUS PARK MASTER ASSOCIATION, INC.

By: Charles H. Butz  
CHARLES H. BUTZ, President

STATE OF NORTH CAROLINA,  
COUNTY OF TRANSYLVANIA.

I, a Notary Public of said State and County, do hereby certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: CHARLES H. BUTZ.

WITNESS my hand and Notarial Seal, this the 28<sup>th</sup> day of January, 2014.



Wanda A. Bryson  
Notary Public

Wanda A. Bryson  
(Print or Type Name)

My Commission Expires: 9-29-18

**EXHIBIT "B"**  
**CLASSIFICATION COVENANTS**  
**FIRST AMENDMENT TO DECLARATION OF**  
**MOUNTAIN PARK HOMES LOT COVENANTS**

In addition to the provisions set forth in the Declaration, the following covenants are applicable to Lots in the above classification.

1. The Lots in this Classification shall only be used for residential purposes; and only one single family, detached dwelling (and other customary outbuildings approved by the ECC) and the Mountain Park Board shall be placed on each of these Lots. The Lot Owner is responsible for the acts of the occupants and users of the Owner's Lots.
  
2. The operation of a home office which does (i) not have clients or customers visiting the same. (ii) not cause any goods to be stored or warehoused on a Lot (e.g. on Amway distributorship). (iii) not have any external signage or indication of operation, thereof and (iv) not increase the flow of traffic in any appreciable manner, is considered to be a residential use. If the Straus Park Mountain Park Homes Owner's Association or the Master Association should, in accordance with the procedures of the same, determine that the operation of a Lot's home office constitutes a nuisance, it shall so notify the Lot Owner and such Owner shall immediately cease and desist therefrom.
  
3. Each Owner in the Mountain Park Homes Classification shall pay, upon being invoiced therefor, the Mountain Park Homes Assessments levied by the Straus Park Mountain Park Homes Owner's Association, in addition to the Straus Park Master Association Assessments.
  
4. The number of Plans approved for this Classification is quite limited. The Lot Owner in this Classification understands a uniformity of design and finishes is anticipated and the ECC may elect to allow no deviation therefrom.
  
5. While the City of Brevard right of way along the roadsides is to be maintained by the Straus Park Master Association, the Lot Owners within the Mountain Park Home Owner's Association shall take reasonable steps at all times to keep their Lots in sightly condition.

### SECRETARY'S CERTIFICATION

I, [Signature], being the Secretary of Mountain Park Home Owner's Association, do hereby certify that the foregoing Amendment was agreed to in writing by more than sixty-seven percent (67%) of the lot owners.

[Signature]  
Print Name: LUTHER H. BAUING  
Secretary of Mountain Park Home Owner's Association

\*\*\*\*\*  
STATE OF North Carolina, COUNTY OF Transylvania

I certify that the following person personally appeared before me this day, each acknowledging to me that he signed the foregoing document in the capacity indicated:

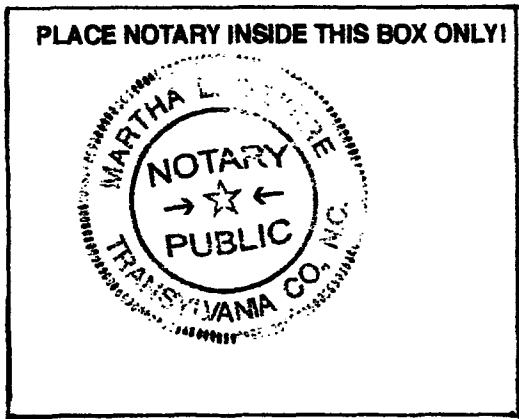
Luther H. Bauing

Date: 10/29/12

[Signature]  
Notary Public

Martha L. DelCine  
Printed Name of Notary

My Commission Expires 02/10/2013





## **MOUNTAINSIDE HOMESITE LOT COVENANTS**

**In addition to the provisions set forth in the Protective Covenants, the following covenants are applicable to the above Classification.**

- 1. The Lots in this Classification shall only be used for residential purposes; and only one single family, detached dwelling is permitted to be constructed on each of these Lots. The Lot Owner is responsible for the acts of the occupants and users of the Owner's Lots.**
  
- 2. The operation of a home office which does (i) not have clients or customers visiting the same, (ii) not cause any goods to be stored or warehoused on a Lot (e.g. on Amway distributorship), (iii) not have any external signage or indication of operation, thereof and (iv) not increase the flow of traffic in any appreciable manner, is considered to be a residential use. If the Straus Park Mountainside Homesite Owner's Association or the Master Association should, in accordance with the procedures of the same, determine that the operation of a Lot's home office constitutes a nuisance, it shall so notify the Lot Owner and such Owner shall immediately cease and desist therefrom.**

STATE OF NORTH CAROLINA  
COUNTY OF TRANSYLVANIA

Prepared by: The Neumann Law Firm, PLLC  
9 Park Place West, Ste., Brevard, NC 28712

### PARK PLACE LOT COVENANTS

In addition to the provisions set forth in the Declaration, the following covenants are applicable to the above Classification.

1. Lots in this Classification shall be only used for those business and commercial uses that are approved by the Master Association in writing. No adult bookstore, illicit drug paraphernalia store, entertainment facility showing sexually explicit material or business representing itself as primarily being a nightclub, bar or saloon shall be permitted to operate in Straus Park. The businesses operating in this Classification are intended to be reasonably usable by the residents of Straus Park and their guests.
2. Each Owner in the Park Place Classification shall pay, upon being invoiced therefore, the Park Place Assessments to the Straus Park/Park Place Property Owners Association, Inc., which amount is in addition to the Assessments payable to the Master Association. Park Place Assessments shall be billed quarterly.
3. All signage (including content, size, color and material) must be in conformity with applicable ordinances and must be approved by the ECC. Wherever possible, single signs with multiple face plates shall be used in order to reduce the number of free-standing signs.
4. On-street parking shall be regulated by the ECC, the Straus Park/Park Place Property Owners Association, Inc. and the Master Association, as permitted by law. Parking spaces shall be reasonable striped and maintained by the Straus Park/Park Place Property Owners Association, Inc., and shall conform with all governmental regulations.
5. Any food service facilities operating in the Classification must have an "A" Sanitation Rating. Should a lower Sanitation Rating be assessed and the "A" Sanitation Rating not

restored by the next inspection, the Master Association shall have the right to demand the cessation of all restaurant operations until an "A" Sanitation Rating is restored; and upon such demand, such food service operations shall promptly cease.

### SECRETARY'S CERTIFICATION

I, DAVID C. NEUMANN, being the Secretary of Park Place Property Owners Association, Inc., do hereby certify that the foregoing Amendment was agreed to in writing by more than SIXTY-SEVEN (67%) PERCENT of the business lot owners.

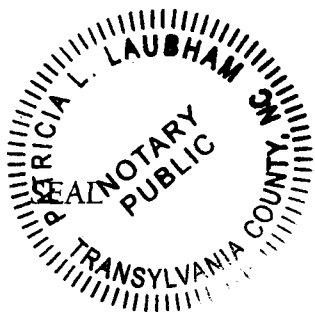
*David C Neumann* (SEAL)

*David C Neumann*  
Print Name/Secretary  
Park Place Property Owners Association, Inc.

.....  
STATE OF NORTH CAROLINA  
COUNTY OF TRANSYLVANIA

I, PATRICIA L. LAUBHAM, the undersigned Notary Public of the County and State aforesaid, certify that DAVID C. NEUMANN has personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Witness my hand and seal this 4<sup>th</sup> day of June, 2013.



*Patricia L. Laubham*  
Notary Public Patricia L. Laubham  
My Commission Expires: March 10, 2016

### Southern Knoll Covenants

In addition to the provisions set forth in the Declaration, the following covenants are applicable to the above Classification.

1. Lots in this Classification shall be only used for those business and commercial uses that are approved by the Master Association in writing. No adult bookstore, illicit drug paraphernalia store, entertainment facility showing sexually explicit material or business representing itself as primarily being a nightclub, bar or saloon shall be permitted to operate in Straus Park. The businesses operating in this Classification are intended to be reasonably usable by the residents of Straus Park and their guests.
2. Each Owner in the Southern Knoll Classification shall pay, upon being invoiced thereof, the Southern Knoll Assessments to the Southern Knoll Owners Association, which amount is in addition to the assessments.
3. All signage (including content, size, color and material) must be in conformity with applicable ordinances and must be approved by the ECC. Wherever possible, single signs with multiple face plates shall be used in order to reduce the number of free-standing signs.
4. On-street parking shall be regulated by the ECC, the Southern Knoll Owners Association and the Master Association, as permitted by law. Parking spaces shall be reasonably striped and maintained by the Southern Knoll Owners Association and shall conform to all governmental regulations.
5. Any food service facilities operating in the classification must have an "A" Sanitation Rating. Should a lower Sanitation Rating be assessed and the "A" Sanitation Rating not restored by the next inspection, the Master Association shall have the right to demand the cessation of all restaurant operations until an "A" Sanitation Rating is restored; and upon such demand, such food service operations shall promptly cease.
6. If a Majority of owners in this Classification so elect, then the Southern Knoll Owners Association shall serve as a merchants association, and shall perform the functions customarily attendant thereto. In such event, all occupants of Lots in this Classification must belong thereto and pay and dues assessed thereby, in addition to, or as a part of the Southern Knoll Owners Association Assessments. Further, in such event, the Southern Knoll Owners Association may provide for common promotional activities and other activities to promote the businesses located within the Classification; and may elect to have its dues collected by the Master Association as a part of the Assessments. In either event, the failure to pay the dues shall be a breach of the Declaration and shall be enforceable in the same manner as the other Assessments.

**SECRETARY'S CERTIFICATION**

I, Rebecca Jean Frankwicz, being the Secretary of ~~Mountain Park~~ Southern Knoll Home Owner's Association, do hereby certify that the foregoing Amendment was agreed to in writing by more than sixty-seven percent (67%) of the lot owners.

Rebecca Jean Frankwicz

Print Name: Southern Knoll  
Secretary of ~~Mountain Park Home~~ Home Owner's Association

\*\*\*\*\*

STATE OF NORTH CAROLINA, COUNTY OF HENDERSON

I certify that the following person personally appeared before me this day, each acknowledging to me that he signed the foregoing document in the capacity indicated:

[Signature]

Date: 3/5/13

Elaine C. Gamble  
Notary Public

Elaine C. Gamble  
Printed Name of Notary

My Commission Expires 10/28/17

PLACE NOTARY INSIDE THIS BOX ONLY!  
  
Elaine C Gamble  
Notary Public  
Henderson County  
North Carolina

## **STRAUS RIDGE CONDOMINIUM RULES and REGULATIONS**

In order to afford all residents of Straus Ridge Condominium a congenial community, permanent in nature, the Board of Directors of Straus Ridge Association, Inc. (the Association") pursuant to authority contained in the Bylaws of the Association have adopted the following rules and regulation. These rules and regulations are designed to help make life more pleasant for everyone in Straus Ridge Community. All Unit Owners, their families, tenants and guests shall abide by the following rules and regulations:

### **APPEARANCE**

1. No entrance, stairway, building exterior (including doors and windows:) or any other portion of the Common Elements shall be decorated, painted, altered or changed in any way by any unit owner or occupant without the prior written consent of the Board of Directors of the Association. Privacy shades of any type shall not be installed on any porch, patio or deck without the prior written consent of the Board of Directors of the Association.

2. No article shall be placed in the entrances or stairways nor shall anything be hung or shaken from the balconies or patios. No clothing or other articles shall be hung in the Common Elements or on any portion of any balcony, deck or patio. No clothes lines shall be permitted outside the unit.

3. Each unit owner shall keep his unit in a good state of preservation and cleanliness and shall not throw or permit to be thrown there from, or from the doors, windows, balconies or patios thereof, any dirt or other substance. Unit Owners shall maintain in good condition and repair all interior surfaces and fixtures in their units.

4. Any blinds or window treatments visible from the outside that are other than white must have prior written approval of the Board of Directors.

5. Except as provided below, no radio or television antennas, satellite dish or other reception device shall be attached to or hung from the exterior of any building including the roof without the prior written approval of the Board of Directors. Any such device erected on the roof or exterior of any building by any unit owner is subject to removal without notice. Satellite dishes no larger than 18 inches in diameter may be allowed to be attached to any unit, provided the number of such dishes and the color and exact location of any such dish must be approved, in writing, by the directors of the Association and the location of any such dish may not be changed. Any such dish that is not actively being used for television reception must be removed. Upon removal, the owner of the dish will repair any damage.

6. No owner shall do any painting or decorating, of the exterior of his unit or any building or make any alterations or construct any improvements to the exterior of the buildings or any of the Common Elements without prior written approval of the Board of Directors.

7. Sidewalks, entrances, passages, roads and parking areas shall not be used as play areas and shall be kept clear and passable at all times.

8. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any unit owner or occupant of any unit on any part of the outside or inside (if visible from the outside) of his unit without the prior written consent of the Board of Directors of the Association. Any sign, advertisement, notice or lettering so displayed in violation of this regulation shall be subject to removal without notice.

9. No awnings or other projections shall be attached to the outside walls of the building and no other modifications shall be permitted to the exterior of any building without the prior written consent of the Board of Directors of the Association

10. All garbage and refuse must be taken to the common dumpster. No trash cans shall be placed, kept or maintained outside any unit.

11. No new planting or changes in the existing planting or landscaping may be made without prior written consent of the Board of Directors of the Association.

12. No garbage cans, supplies of any type, milk bottles or other articles shall be placed or kept in or upon the Common Elements.

#### **PARKING AND STORAGE**

1. No bicycles or similar vehicles or other personal articles shall be stored in the entrances, stairways or Common Elements of the buildings except as approved in writing by the Board of Directors of the Association.

2. No vehicle belonging to any unit owner, a member of his family, guest, or tenant of an owner shall be parked in such manner to impede or prevent ready access to the remaining parking areas. The Unit Owners, visitors, licensees and the Unit Owners' families will obey the posted parking regulations and any other traffic regulations published in the future for the safety, comfort and convenience of the Unit Owners.

3. The Board of Directors may, in its discretion, elect to assign specific parking spaces to specific units, and if parking places are so assigned, each unit owner will be bound by such decision and will abide by such rules and regulations as may be established in such regard.

4. No boats, trailers, campers, recreational vehicles, buses, travel trailers, tents, boat trailers, mini bikes or other such items shall be parked or stored in parking areas or any other part of the property. No trucks larger than a van or pickup truck will be parked on any parking areas of the property and if such van or pickup truck is used for any commercial purpose, it shall have no outside equipment or unsightly material.

#### **GARAGES**

1. Garages shall be used only for the parking of standard passenger automobiles, vans, pickup trucks and motorcycles and for the storage of other personal property. All garages shall be kept in a neat and orderly appearance. Garages may not be used in any manner as a living area. No person shall be allowed to reside in any garage. Garage doors shall at all times be kept closed.

#### **DISTURBANCES**

1. No owner shall make or permit any noises that will disturb or annoy the occupants of the buildings or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other owners. PLEASE BE CONSIDERATE OF YOUR NEIGHBORS. EXCESSIVE NOISE FROM PARTIES, STEREOs, TV, ETC., CAN RUIN OUR FINE COMMUNITY. No owner shall play upon, or suffer to be played upon, any musical instrument or operate or suffer to be operated a phonograph, television set, radio or musical instrument, or other electrical device designed for the transmission and reproduction of sound, in any unit between the hours of 10:30 p.m. and the following 8:00 am., if the same shall disturb occupants of other units. No unit, owner or occupant of any unit shall give nor permit to be given vocal or instrumental instruction at any time in his unit if complaint shall be made by an adjoining unit owner because of sound emissions.

2. No discharge of firearms or fireworks shall be permitted on any part of the Condominium.

#### **UTILITIES**

1. Water closets (commodes) and other water apparatus in the buildings shall not be used for any purposes other than those for which they were constructed nor shall any sweeping, rubbish, rags, paper, ashes, or any other article be thrown into same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the owner in whose unit it shall have been caused.

2. No owner shall interfere in any manner with any portion of the common lighting apparatus in or about the buildings.

3. All Unit Owners must insure that a temperature of at least 55 degrees is maintained in their unit throughout the cold season in order to prevent freezing of pipes.

4. Unit Owners shall promptly pay all bills for utilities metered separately to their units.

5. All plumbing and electrical repairs within a unit shall be the responsibility of the owner of that unit and shall be paid for by such owner.

No animals, livestock, or poultry of any kind may be raised, bred or kept on any part of the Property, or Condominium except for small household pets, one dog and/or cat not to exceed 30 pounds. Exception- must have prior written approval of the Board of Directors. Such may be kept by their respective owners only, in their respective units, provided that they are not kept,



bred or maintained for any commercial purposes and do not endanger the health of or, in the sole discretion of the Board of Directors of the Association, unreasonably disturb the owner of any unit or any resident thereof. All pet owners shall be responsible for exercising such care and restraint as is necessary to prevent their pet from being or becoming obnoxious or offensive on account of noise, odor, unsanitary conditions or other nuisance. Dogs outside units must be kept on a leash, and owners are responsible for picking up excrement. No savage or dangerous animal shall be kept or permitted on the property or in any unit, No pets may be permitted to run loose upon the Common Elements and any unit owner who causes or permits any animal to be brought or kept upon the Condominium. Property shall indemnify and hold harmless the Association for and from any loss, damage or liability which it sustains as a result of the presence of such animal upon the Condominium Property.

#### **GENERAL**

1. No immoral, improper, offensive or unlawful use shall be made of the condominium property nor any part thereof; further, no use shall be made which would be in violation of any federal, state, county or municipal law, statute, ordinance, or administrative rule, or which would be injurious to the reputation of the condominium.

2. Unit Owners shall be held responsible for the actions of their children, guests, invitees and their pets.

3. The Association assumes no liability for nor shall it be liable for any loss or damage to articles left or stored in the Common Elements.

4. Sidewalks and entrances must not be obstructed and shall not be used for any purpose other than ingress, egress and regress to and from the premises.

5. The washing of cars or any other type vehicle on any part of the Condominium property is absolutely prohibited.

6. Major vehicle maintenance or repair is not permitted on any part of the Condominium Property.

7. No unit owners or residents shall direct, supervise or in any manner attempt to assert any control over any employees of the Association or the Managing Agent.

8. In the event of a Management Agreement between the Association and a Managing Agent, routine enforcement of these rules and regulations, shall be the responsibility of the Board of Directors and the Managing Agent and they shall have full responsibility to implement and apply the rules and regulations in accordance with established procedure.

9. Any consent or approval given under these community rules by the Board of Directors of the Association shall be revocable at any time.

**10. Complaints regarding the service of the buildings and grounds or regarding actions of other owners shall be made in writing to the Management Company and sent to:**

**Deer Ridge Property Management  
7737 Greenville Highway  
Brevard, NC 28712  
(828) 862-8134  
[www.DeerRidgePM.com](http://www.DeerRidgePM.com)**

**11. No charcoal grills will be permitted under covered porches.**

**FIRST AMENDMENT TO  
DECLARATION OF TOWNHOME  
LOT COVENANTS**

In addition to the provisions set forth in the Declaration, the following covenants are applicable to the above Classification.

1. The Lots in this Classification shall only be used for residential purposes. The residences shall be for single family occupancy only, but may be attached or detached, including row townhouses. Residences in this Classification are part of a planned unit development project, within Straus Park. The Lot Owner is responsible for the acts of the occupants and users of the Owner's Lots.
2. The operation of a home office which does (i) not have clients or customers visiting the same, (ii) not cause any goods to be stored or warehoused on a Lot (e.g. an Amway distributorship), (iii) not have any external signage or indication of operation, thereof and (iv) not increase the flow of traffic in any appreciable manner, is considered to be a residential use. If the Straus Park Townhome Owner's Association or the Master Association should, in accordance with the procedures of the same, determine that the operation of a Lot's home office constitutes a nuisance, it shall so notify the Lot Owner and such Owner shall immediately cease and desist therefrom.
3. Each Owner in the Townhome Classification shall pay, upon being invoiced therefor, the Townhome Assessments levied by the Straus Park Townhome Owner's Association, which is in addition to the Assessments.
4. Except to a licensed general contractor who is purchasing a Lot to construct a residence thereon and to sell the same, no Lot in this Classification shall be sold without a residence already constructed thereon or pursuant to a contract of sale which includes the construction of a residence as a part thereof. The number of Plans approved for this Classification is quite limited. The Lot Owner in this Classification understands a uniformity of design and finishes is anticipated and the ECC may elect to allow no deviation therefrom.
5. While the Townhome Common Elements are to be maintained by the Straus Park Townhome Owner's Association, the Lot Owners within this Classification shall take reasonable steps at all times to keep the non-PUD Element portions of the Lot in slightly condition.

**SECRETARY'S CERTIFICATION**

I, Mary Kathryn Fisher, being the Secretary of Straus Park Townhome Owner's Association, do hereby certify that the foregoing Amendment was agreed to in writing by more than sixty-seven percent (67%) of the lot owners.

MARY KATHRYN FISHER  
Print Name:  
Secretary of Straus Park Townhome Owner's Association

\*\*\*\*\*

STATE OF North Carolina COUNTY OF Henderson

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document in the capacity indicated: Elaine Gamble

Date: 2/26/13

Elaine C Gamble  
Notary Public

PLACE NOTARY SEAL INSIDE THIS BOX ONLY!  
  
Elaine C Gamble  
Notary Public  
Henderson County  
North Carolina

Elaine C Gamble  
(Printed Name of Notary)

My Commission Expires: 10/28/17

**SECRETARY'S CERTIFICATION**

I, Mary Kathryn Fisher, being the Secretary of Straus Park Townhome Owner's Association, do hereby certify that the foregoing Amendment was agreed to in writing by more than sixty-seven percent (67%) of the lot owners.

MARY KATHRYN FISHER

Print Name:

Secretary of Straus Park Townhome Owner's Association

\*\*\*\*\*

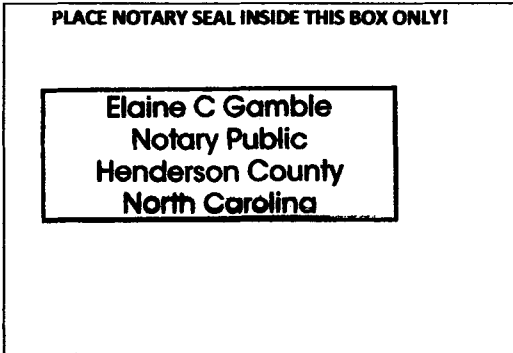
STATE OF NORTH CAROLINA COUNTY OF HENDERSON

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document in the capacity indicated: Secretary of Straus Park Townhome Owner's Association.

Date: \_\_\_\_\_

Elaine C. Gamble

Notary Public



Elaine C. Gamble

(Printed Name of Notary)

My Commission Expires: 10/28/17

EXHIBIT C

BYLAWS OF STRAUS PARK OWNER'S ASSOCIATIONS

ARTICLE 1

GENERAL MATTERS

**Section 1:** All terms defined in the Declaration to which these Bylaws are attached, shall be deemed similarly defined herein and shall be used without further definition.

**Section 2:** These Bylaws are intended to serve as the Bylaws for each Owner's Association. While the above caption does not make reference to a particular Owner's Association, these Bylaws are those of each separate Owner's Association and shall govern each Owner's Association, to the same extent as if the caption was Bylaws of Straus Park Mountainside Homesite Owner's Association, Southern Knoll Owner's Association, Straus Park Townhome Owner's Association, Straus Park Place Owner's Association and Straus Park Mountain Park Homes Owner's Association. While these Bylaws are to be used by all Owner's Associations, except as may be otherwise set forth hereafter, each Owner's Association shall operate and act separately and independently from each other. Each Owner's Association may, but need not, be incorporated as a non-profit corporation pursuant to N.C.G.S. 55A.

**Section 3:** The provisions of these Bylaws are applicable to the respective Classification's Lots and the occupancy and use thereof.

**Section 4:** All Owners, invitees, licensees, tenants, agents, or their employees of any other person that occupies or uses any property in the Classification in any manner, are subject to the provisions of these Bylaws and to the Rules and Regulations adopted, from time to time, pursuant hereto.

**Section 5:** The acquisition, rental, occupancy or use of any Lot in the Classification shall constitute acceptance of these Bylaws, the Declaration, the Rules and Regulations and amendments thereto and an agreement to comply therewith.

**Section 6:** The Owner's Association shall have the responsibility of administering the Lots in such Association's Classification, subject at all times to the control of the Master Association. The Owner's Associations are intended to act as a representative of the Classification's Owners to the Master Association, and to take care of routine non-legal matter which do not affect Straus Park in general. Notwithstanding the foregoing, in the PUD Classifications, the Owner's Board shall have the responsibility and authority to make the PUD Assessments and provide for the Maintenance of the PUD Elements therein.

## ARTICLE II

### Voting. Majority of Owners. Quorum. Proxies

**Section 1:** Voting shall be based on Lot ownership (one Lot-one vote). Where a Lot is owned by more than one person or entity, such persons or entities shall designate, by agreement in writing filed with the Owner's Board of the Owner's Association, the person entitled to cast the vote for the Lot.

**Section 2:** As used in these Bylaws, the term "Owner" refers to an Owner of a Lot in the applicable Classification (e.g. a Mountainside Homesite Lot Owner, a Southern Knoll Lot Owner, etc.).

**Section 3:** Except as otherwise provided in these Bylaws, the presence in person or by proxy of a Majority of Owner's at any meeting shall constitute a quorum.

**Section 4:** Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary before the appointed time of any meeting.

**Section 5:** In the event of deadlock between conflicting interests, the same shall be resolved by mediation. If no formal mediation procedure exists, each interest shall appoint a mediator, a third mediator shall be appointed by the Master Association and the majority decision of the three mediators shall be binding.

## ARTICLE III

### Administration

**Section 1:** The Owner's Association, acting through the Owner's Board shall advise the Master Association regarding the administration of the Owner's Board's Classification. The Master Association's Directors may, from time to time, delegate its powers to manage and enforce the Declarations to the Owner's Board in its Classification. Except as otherwise provided, decisions and resolutions of the Owner's Association shall require approval by its Owner's Board.

**Section 2:** Meetings of the Owner's Association shall be held at the principal office of Straus Park or such other suitable place convenient to the Owners as may be designated by the Owner's Board.

**Section 3:** The annual meetings of the Association shall be held within the first 15 days in November of each succeeding year. All annual meetings will be completed by November 16<sup>th</sup>. At such meetings the Owner's Board shall be elected by ballot of the Owners, in accordance with the requirements of these Bylaws. The Owners may also transact such other business of the Association as may properly come before them.

**Section 4:** The President shall call a special meeting of the Owners, if so directed by a resolution of the Owner's Board or by a petition signed by a not less than one-third of the Owners and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice thereof, unless by consent of Owners having the right to cast eighty percent of such Classification's votes.

**Section 5:** The Secretary shall provide a notice of each annual or special meeting stating the purpose thereof as well as the time and place where it is to be held to each Owner at least ten (10) but not more than sixty (60) days prior to such meeting. Notice of the meeting should be sent to all Lot Owner's, postage prepaid, or hand delivered to the Owner's address within Straus Park, or at such other address as an Owner shall have specified to the Owner's Association in writing. A notice mailed shall be deemed delivered the earlier of actual delivery or third day following mailing.

**Section 6:** Robert's Rules of Order shall be used at all meetings of Owners. The order of business at all meetings of the Owners shall be as follows, unless otherwise agreed:

- a. Roll Call
- b. Proof of Notice of Meetings or Waiver of Notice
- c. Reading of minutes of preceding meeting
- d. Reports of Officers
- e. Reports of Committees
- f. Election of Directors (when so required)
- g. Unfinished business
- h. New business

**Section 7:** The Owner's Association shall make available, within a reasonable time, upon request, copies of the Declaration, these Bylaws, and the Rules to Owners and Holders. Additionally, the ECC will do likewise with the Design Manual. Owners and Holders should be advised that these documents are available on line. In the event the Owner's/Holder's demand the documents in hard copy, they will be made available at nominal cost. In any event, the ECC will make the appropriate Design Manual available in hard copy at the time the appointment is made for the first ECC review.

**Section 8:** While the Master Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, the Owner's Board shall make the Master Association aware of the wishes of the Owners with respect thereto. In the event of a taking or acquisition of part of all the Common Areas by a condemning authority, the award or proceeds of



settlement shall be payable to the Master Association, for the use and benefit of the Owners as required by the Declaration.

## **ARTICLE IV**

### **Board of Directors**

**Section 1:** The affairs of the Owner's Association shall be governed by the Owner's Board, which shall be composed of not less than three persons nor more than five persons. Each member of the Owner's Board shall be either the owner of a Lot, have an interest therein, or be proposed by one of the foregoing.

**Section 2:** The Owner's Board shall have the powers and duties necessary for it to perform the acts set forth in Article 1 Section 6 above, to advise the Master Association in its administration of the affairs of the Owner's Association's Classification and may do all such acts and things as are approved by the Master Association, which are not by law prohibited or by these Bylaws directed to be done by someone else. In addition, the Owner's Association shall serve as the governing body of the Classification, with the power to do all things necessary to perform such function, unless prohibited hereby, and subject at times to the control of the Master Association.

**Section 3:** At the first annual meeting of the Owner's Association, the Owner's Board shall be elected with the term of office of at least one director being fixed to expire upon the date of the second annual meeting of the Owner's Association, at least one fixed to expire upon the date of the third annual meeting and one on the fourth annual meeting of the Owner's Association thereafter if possible. No director shall be elected for longer term than three years unless re-elected. At the expiration of the initial term of office each respective director, his successor shall be elected to serve a term of three years. The directors shall hold office until their successors have been elected.

**Section 4:** Vacancies on the Owner's Board caused by any reason other than the removal of a director by a vote of the Owner's Association shall be filled by vote of the majority of the then remaining directors even though they may constitute less than a quorum; and each person so elected shall be director until a successor is elected at the next annual meeting of the Owner's Association.

**Section 5:** At any regular or special meeting of the Owner's Association duly called, any one or more of the directors previously elected by the Owners may be removed, with or without cause, by a majority of the Owners; and their successors may then and there be elected by a Majority of the Owners to fill the vacancy thus created. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

**Section 6:** The first meeting of a newly elected Owner's Board shall be held within ten (10) days of election, at such place as shall be fixed by the directors at the meeting at which such

directors were elected, and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting, providing a majority of the Owner's Board shall be present.

**Section 7:** Regular meetings of the Owner's Board may be held at such time and place as shall be determined, from time to time, by a majority of directors. Notice of regular meetings of the Owner's Board shall be given to each director, personally or by mail, telephone or email, at least ten (10) days prior to the date named for such meeting.

**Section 8:** Special meetings of the Owner's Board may be called by the President of the Owner's Association on three (3) days notice to each director given personally or by mail, telephone or email, which notice shall state the time, place (as hereinabove provided) and purpose of meeting. Special meetings of the Owner's Board shall also be called by the President or Secretary in like manner and on like notice upon the written request of a majority of the Owner's Board directors. Except for what is set forth in the notice of the special meeting, nothing shall be considered, unless consented to at the meeting by at least two thirds of all elected directors.

**Section 9:** At all meetings of the Owner's Board, a majority of the directors then in office shall constitute a quorum for the transaction of business. At any meeting of the Owner's Board there be less than a quorum present, the majority of those present may adjourn the meeting for time to time. At any such adjourned meeting, and business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 10:** No member of the Owner's Board shall receive any compensation for serving in said capacity, nor shall the expenses of meeting be borne by the Owner's Association.

## **ARTICLE V**

### **Officers**

**Section 1:** The principal offices of the Owner's Association shall be President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Owner's Board. The Owner's Board may appoint an Assistant Treasurer and an Assistant Secretary and such officers as in their judgment may be necessary.

**Section 2:** The officers of the Owner's Association shall be elected annually by the Owner's board at the organization meeting of each new Owner's Board, and they shall hold office at the pleasure of the Owner's Board.

**Section 3:** Upon affirmative vote of a majority of the members of the Owner's Board, any officer may be removed, with or without cause, and his successor elected at any regular meeting of the Owner's Board or at any special meeting of the Owners Board called for such purpose.

**Section 4:** The President shall be the Chief Executive Officer of the Owner's Association. The president shall also serve as a Director of the Master Association except for Southern Knoll and Park Place. Their directors shall be appointed by these commercial enterprises by notice thereof provided to the Master Association. The President shall preside at all meetings of the Owner's Association and of the Owner's Board and shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the powers to appoint committees from among the Owners from time to time.

**Section 5:** The Vice President shall take the place of the President and perform such duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Owner's Board shall appoint some other members of the Owner's Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated by the Owner's Board. Notwithstanding the foregoing, the Vice President shall not take the place of the President as a Master Association Director in the temporary absence of the President.

**Section 6:** The Secretary shall keep the minutes of all meetings of the Owner's Board and the minutes of all meetings of the Owner's Association; shall have charge of such books and papers as the Owner's Board may direct, and shall, in general, perform all the duties incident to the office of Secretary.

**Section 7:** The Treasurer shall have responsibility for any Owner's Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Owner's Association, and shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Owner's Association, in such depositories as may from time to time be designated by the Owner's Board.

**Section 8:** All agreements, contracts, deeds, leases, checks, notices and other instruments to be executed on behalf of the Owner's Association shall be executed by any two officers (for the purposes hereof, an attesting officer shall be deemed an executing officer) of the Owner's Association. In no event shall any such document only be signed by one signatory.

**Section 9:** No officer shall receive any compensation for serving in said capacity, nor shall the expenses of meetings be borne by the Owner's Association.

## **ARTICLE VI**

### **Fiscal Management of the Association**

**Section 1:** While the ultimate responsibility for the collection and handling of Assessments and funds is that of the Master Association, the Owner's Association may be delegated the responsibility for some or all the Classification's funds, or may be authorized by the Owners to impose and collect

dues or other charges. Reasonable and prudent measures in the receipt, disbursement, and record-keeping shall be employed at all times by the Owner's Association in the care of funds. While not anticipated, in the event any insurance or condemnation proceeds are received by the Owner's Association as a result of a taking or an insured casualty, it shall receive and disburse the same as a trustee for the benefit of the affected Owners. Further, in each of the PUD Classification, the Owner's Board thereof shall levy the PUD Assessment therein, and shall receive and disburse funds in accordance with the provisions of Article V Section 1 of the Bylaws (not the Owner's Bylaws); except that references therein to Directors shall mean the directors of the Owner's Board, and the reserve shall be for the repairs and replacements for the PUD Elements in such Classifications and not of the Common Areas.

## ARTICLE VII

### Liability of Officers and Directors of the Owner's Association

**Section 1:** The directors and the officers of the Owner's Association shall not be liable to Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Owners shall indemnify and hold harmless each of the said officers and the directors against all contractual liability to others arising out of contracts made by the said officers or the directors on behalf of the Owner's Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declarations or of these Bylaws. It is intended that the said officers and the directors shall have no personal liability with respect to any contract made by them on behalf of Straus Park. If the directors so elect, they may purchase an insurance policy to indemnify themselves and said officers from liability arising out of such service.

## ARTICLE VIII

### Amendment

**Section 1:** These Bylaws may be amended by the affirmative vote of not less than sixty percent (60%) of the Owner's Board or by the affirmative vote of not less than seventy five percent (75%) of the Owner's of the Lots in such classification. No amendment hereof shall occur without notice of the proposed amendment being provided in the notice of the meetings at which such amendment is to be considered.