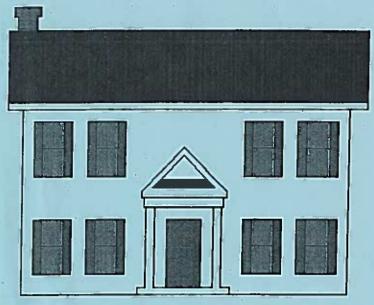
5606 Becton Park



BECTON PARK AT LYNTON PLACE HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

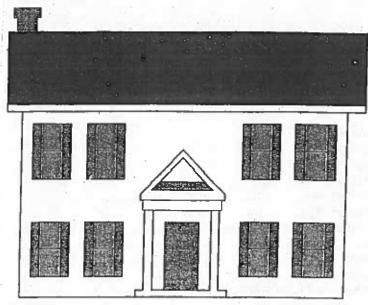
March 2003

BECTON PARK RULES AND REGULATIONS

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BECTON PARK AT LYNTON PLACE HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

BECTON PARK RULES AND REGULATIONS

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EMERGENCY NUMBERS

All numbers are area code 704

Abandoned Cars	336-2673
Alarm Ordinance	
Ambulance, Medical, Fire, Police Emergencies	
Animal Control/Shelter	336_3786
Building Permit/Inspections	226 2021
Bulky Item Collection	
Bus Information	
City/County Information	330-7000
City/County Non-Emergency	252 1002
PoliceInformation	
FireNon-emergency	336-2441
MedicNon-emergency	943-6000
Crime Stoppers	334-1600
Dangerous Dog Hotline	
Dead Animal Collection	
Domestic Violence Hotline	
Duke Power (24 hour customer service)	
Power Outage Reporting	
Garbage Collection	336-2673
Housing Code Enforcement	336-2751
Landlord/Tenant Mediation	336-5330
Low Water Pressure	336-7600
Piedmond Natural Gas (Local customer service)	525-3882
Leaks & Emergencies (24 hour)	1-800-356-2593
	1-800-752-7504
Poison Control	355_4000
Potholes	
Property Management: Wm. Douglas Management	
Scott Myrick, Property Manager	
1805 1850 East Blvd., Charlotte, NC 28203	
Recycling	336-2673
Time Warner Cable (24-hour customer service)	
Towed Vehicles	
Traffic Citations	
Yard Waste	
late wase	

INTRODUCTION

This handbook provides information about the rules and regulations for homeowners and residents of the Becton Park patio homes. It is based on the Declaration of Covenants, Conditions and Restrictions of Becton Park at Lynton Place, the By-Laws of Becton Park at Lynton Place, rules and regulations of the Lynton Place Homeowners Association (of which Becton Park is a part), city regulations, and decisions of the Board of Directors of Becton Park at regular and special meetings. Copies of official documents are available at the Mecklenburg County Registrar of Deeds. Becton Park is subject to the rules and regulations of the Master Association, Lynton Place.

DEFINITIONS

- 1. "Association"--"Association" shall mean and refer to Becton Park at Lynton Place Homeowners Association, a North Carolina non-profit corporation, its successors and assigns.
- 2. "Board"-"Board" shall mean and refer to the duly elected Board of Directors of the Becton Park at Lynton Place Homeowners Association

- 3. "Common Area"--"Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners, including the private streets.
- 4. "Lot"--"Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on any recorded subdivision map of the Properties with the exception of the Common Area.
- 5. "Management Company"--"Management Company" shall mean and refer to the management company engaged by the Association
- 6. "Master Association"--"Master Association" shall mean and refer to Lynton Place Homeowners Association, a non-profit corporation formed under Chapter 55A of the North Carolina General Statutes, which shall own and manage the Lynton Place Common Area and the Lynton Place recreational facilities located on the Lynton Place Homeowners Association property for the benefit of all owners in Lynton Place.
- 7. "Member"--"Member" shall mean and refer to every person or entity who holds membership in the Association.
- 8. "Owner"--"Owner" shall mean and refer to the owner of record, whether one or more persons or entities, of the fee simple title of any Unit which is part of the Properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.
- 9. "Resident"-"Resident" shall mean and refer to all current inhabitants of any Unit.
- 10. "Unit"--"Unit" shall mean and refer to a patio home constituting one residential Unit in the Association.

RULES AND REGULATIONS

These Rules and Regulations are established to promote the enjoyment of our Community by its Residents and to protect and enhance the value of homes within the Association. Owners are responsible for ensuring that all residents, tenants of rental properties, and guests of residents are made of aware and comply with all applicable Rules and Regulations.

Board of Directors

The Board of Directors has additional responsibilities as outlined in the By-Laws. The management company has responsibility for the day-to-day operation of Becton Park. In addition, the Board supervises all committees, approves all projects in the complex, and periodically reviews the external units and common areas for compliance with the By-Laws and standards. Owners will be advised if a unit needs care. Board meetings are usually held every other month on the third Monday at 7:30 pm in the Lynton Place clubhouse. Homeowners who wish to bring any issue before the Board may do so at 8 pm. Written suggestions for improvements are also welcome.

Financial Statements

Any Owner will have the right to examine the books and records of the Association during any reasonable business hours by contacting the management company. The management company may also be contacted for any information concerning monthly fees or overdue fees.

Records of Ownership

Homeowners should inform the management company of the pending sale of a unit prior to the closing date. This enables the management company and Board of Directors to keep the financial status of all units up-to-date.

Leasing of Units

Leasing is not prohibited; all tenants are subject to Association Rules and Regulations and Master Association Rules and Regulations. Owners are responsible for informing tenants of Association Rules and Regulations; owners are responsible for tenants following Association Rules and Regulations. Owners shall be held liable for any damage to the common areas done by tenants. Owners are to inform the management company as to the identification of tenants within 30 days of the lease; tenant information

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should include the Unit address, tenant's name, and tenant's home telephone number.

Assessments

Every Owner of a Lot is subject to annual assessments and special assessments for capital improvements. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the maintenance, repair, and reconstruction of the exterior of patio homes, fences, and roads constructed by the builder. Membership in the Association and assessment cover:

- Exterior maintenance of units (excluding garage doors, windows, storm doors, and mailboxes)
- Private streets (Becton Park and Ebley)
- Outdoor lighting and street markers
- Front lawn and common area landscaping and maintenance
- Water, storm water, and sewage fees
- Lynton Place assessments (clubhouse and swimming pool maintenance)
- Management company fees
- Association maintenance insurance, employment of attorneys and legal fees, and taxes
- Fences constructed by the builder or the Association
- Annual review of financial accounts

Assessments must be collected on a monthly basis with penalties for late payments and delinquencies. Assessments are conveyed from January 1 through December 31. The Board is authorized to raise assessments up to, but not exceeding twelve (12) percent of the maximum assessment for the previous year without a vote of the membership. Assessments may be increased without limitation if such an increase is approved by two-thirds (2/3) of the votes represented in person or by proxy at a special meeting called for this purpose.

Special Assessments

In addition to annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area. Special assessments must be collected on a monthly basis and must be approved at a special meeting with written notice sent to all members no less than thirty (30) days before the special meeting. Sixty (60) percent of voting members must be represented, either in person or by proxy, to constitute a quorum in order for the vote for the special assessment to be taken.

Delinquencies

Late fees for monthly and special assessments shall be assessed according to the Declaration of Covenants, Conditions, and Restrictions and the By-Laws of the Association.

Changes in Rules and Regulations

The Board of Directors may, in accordance with the By-Laws, alter, amend, revoke or add to these Rules and Regulations for the preservation of safety and order at Becton Park, for its care and cleanliness, or for the protection of the reputation thereof. When given to any resident, the amendment/alteration shall have the same force and effect as if originally made a part of these Rules and Regulations. The Board of Directors has given the management company certain authority for the enforcement of these Rules and Regulations. These Rules and Regulations will remain in full force and in effect unless otherwise amended or altered by the Board of Directors.

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MAINTENANCE

Maintenance and repair work are handled on a job-by-job basis under the direction of the Board. Concerns should be reported to the management company. Priorities for repair jobs are established by the Board of Directors, with the recommendation of the management company.

Exterior Maintenance

The Association is responsible for the following:

- Exterior of units (siding, roofs, columns, door and window frames) (excluding garage doors, storm doors, glass surfaces, and mailboxes)
- Exterior painting
- Fences and gates
- Roads (Becton Park and Ebley) (based on normal usage)
- Streetlights and street markers
- Front yard and common area landscaping
- Driveways and sidewalks (based on normal usage)

Residents and guests are responsible for patios, decks, garage doors, storm doors, glass surfaces, and mailboxes. No exterior alterations are allowed without written permission of the Board of Directors. Any changes and/or additions must be approved in writing by the Board of Directors. No signs, plaques, or any other commercial or decorative signs may be installed outside units without written permission of the Board of Directors. The only exception is one for sale or for lease sign on the front lawn. Unapproved alterations will be removed at the homeowners' expense. The Association is not responsible for maintenance, repair, or replacement of lots or units through the willful, or negligent act of the Owner, guests, or invitees. Such costs will become part of the assessment to which such Unit or Lot is subject.

Home Painting

Exterior painting and repairs are done with the approval of the Board of Directors. Home colors are limited to the Williamsburg palette with no more than three colors per home. Front doors and shutters must be the same color. Homes located side by side may not be painted in identical color schemes.

Architectural Control

No building, fence, wall or other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to or change or alternation therein be made, until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall be submitted in writing to the Board or to an Architectural Control Committee composed of three (3) or more members appointed by the Board. Neither the Board nor the Architectural Control Committee shall approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety or appearance of any Lot or the Common Area. The Board has the right to charge a reasonable fee not to exceed \$25.00 for each request. The Board has thirty (30) days to respond. If the Board fails to respond within thirty (30) days, Board approval will not be required. Any modifications shall not impede unobstructed access over and upon each Lot at all reasonable times to perform maintenance. No structure of a temporary nature shall be erected or allowed to remain on any Lot unless permission for the same ahs been granted by the Association or its designated agent or representation. Structures or modifications must be constructed according to the approved plans. The homeowner is responsible for getting all appropriate city permits.

No outdoor drying or airing of clothing or bedding is permitted, except during the following hours:

Monday - Friday 8 am - 5 pm Saturday 8 am - 1 pm

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Devises for hanging clothes (e.g., lines, reels, poles, frames, etc.) shall be stored out of sight except for the aforementioned times.

Streets, Walkways, and Driveways

The Association is responsible for the maintenance, replacement, and repair of streets, walkways, and driveways necessary through normal wear and tear. Residents shall not obstruct or clutter streets, walkways, driveways, front yards, or common areas. Unusual repairs and maintenance caused by the negligence of residents shall be made at the expense of the homeowner. See also the section on parking.

Interior Maintenance

Maintenance and repair of patios, decks, bathroom and kitchen fixtures, light fixtures or other electrical or plumbing equipment, heating and air conditioning systems, pipes and fittings serving an Owner's unit, locks, windows, and latches are the responsibility of homeowners. Smoke and carbon monoxide detectors in good working condition are required and are the responsibility of homeowners. Homeowners are responsible for any and all damages due to misuse of the fireplace and/or the disposal of hot ashes and firewood. Firewood should be properly stored. Homeowners are responsible for the cleaning of chimneys

LANDSCAPING

Front Yard and Common Area Landscaping

The Association is responsible for landscaping in front yards (all property back to the fences and gates) and common areas, including grass mowing and maintenance, planting, removal, and trimming of trees and shrubs. Homeowners may plant additional small to medium size shrubbery and/or flowers that are in keeping with the look of the neighborhood, do not create hazards for traffic, and do not interfere with front yard maintenance. Artificial ornamentation (e.g., statues, etc.) are subject to the same restrictions as additional shrubbery and/or flowers. Trees may not be planted in front yards without written permission of the Board of Directors. Homeowners who wish to maintain their own front yards may do so, providing that landscaping is in keeping with the look of the neighborhood. Such maintenance will not cause the reduction of monthly assessments. Shrubbery shall not grow above the roofline of the homes.

Backyard Landscaping

Homeowners are responsible for backyard (within the fences) landscaping. Landscaping should not interfere or create potential hazards to any exterior structures that are the responsibility of the Association, including fences, exterior siding and trim, and roofs. If the Board of Directors determines that backyard landscaping is a hazard to any exterior structures for which the Association is responsible, the homeowner will be notified in writing and given thirty (30) days to correct the hazard. If the hazard is not corrected within thirty (30) days, the hazard will be corrected at the homeowner's expense.

CABLE TELEVISION AND SATELLITE DISHES

Time Warner Cable has an exclusive agreement to provide cable television to Becton Park until further notice. For installation, repairs, or maintenance, please contact Time Warner directly. Satellite dishes may be installed with written permission of the Board of Directors. Satellite dishes may only be installed in the back in as unobtrusive a manner as possible.

DISTURBING NOISES AND NUISANCES

No homeowner or resident will make or permit any disturbing noises within the units by him/herself, family, guests, servants, employees, visitors, or agents, nor do or permit anything that will interfere with the rights, comfort, or convenience of other residents. No noxious, offensive, or illegal activities will be carried on upon common areas or within any unit, nor will anything be done thereon which may be an annoyance or nuisance to other residents of Becton Park. No signs, advertising devices, or solicitations are

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permitted in or about Becton Park without prior written permission of the Board of Directors with the exceptions of temporary for sale or for lease signs. One such sign may be displayed until the unit has been sold or rented. No residents or their guests will play any musical instrument or operate a stereo, radio, television, or other such audio or video device in such a manner as to disturb or annoy other residents. The discharge of firearms and/or any noise making or explosive device is expressly prohibited on any part of Becton Park at all times. The discharge of firearms, including BB guns and air rifles, is forbidden in Becton Park at all times. Children at play in common areas are at all times the responsibility of their legal guardians.

Pets

All animals must be kept on a leash and accompanied by the owner when in the common areas. Animals are not allowed to run free. Only domesticated animals are allowed. Any animal trained for attack is considered vicious. The owner must have written permission of the Board of Directors before the animal is brought on the property. Any damage to property or injury to another person will be the direct responsibility of the animal's owner. These rules also apply to visiting pets and pet sitters. All pet owners are responsible for cleaning up after their pets, as per city and county law. No animals shall be maintained, housed or bred for commercial purposes. All pets must be licensed, tagged and immunized as required by the City. Required tags must be on the animal. Pet structures (e.g., dog or cat houses) must be placed in backyards. Unattended dogs, cats, or undomesticated animals in the common areas are subject to capture and confinement by the City. The Board of Directors has the authority to require a resident to control or remove any pet judged to be a nuisance.

PARKING

Each unit has a one-car garage and a driveway with a minimum of two (2) parking spaces. The Board of Directors has given the management company authority to tow, at the owner's expense, cars or other vehicles improperly parked. Spaces are reserved for the parking of automobiles or passenger trucks only. No campers, trucks, vans or recreational vehicles may be parked or kept within the Properties, except within enclosed garages. No trailers, boats or tractors may be parked or kept within the Properties, except within enclosed garages. The following vehicles may not be parked overnight in Becton Park and are permitted only for the conduct of business (e.g., home repairs and installations, etc.): Vehicles with commercial license plates, vehicles over 10,000 pounds, and vehicles with commercial equipment, supplies, or ladders that can be seen. These vehicles may not be parked overnight. All vehicles must be properly licensed and have all tires inflated. No inoperable or wrecked vehicles should be parked in Becton Park. No vehicles of any kind may be parked within the bounds of the private streets (Becton Park and Ebley). The Board may make such reasonable rules and regulations as it may elect with respect to the parking of vehicles and may amend and vary the requirements without the consent of the Members of the Association.

Driveways

Expansion of driveways must have written permission of the Board of Directors (see section on Architectural Control).

TRASH AND GARBAGE

All garbage shall be stored within the residence of each Owner. Trash and recyclables must be placed in city-approved containers. Pick-up is once a week. Residents have a "window" of twenty-four (24) hours before the day of scheduled pick-up to place trash and recyclable containers on the curb for pick-up and a "window" of twenty-four (24) hours after pick-up to put containers out of sight and not on porches or front or side yards (e.g., if scheduled pick-up is on Friday, containers can be place on the curb on Thursday and must be removed by Saturday). Containers should be placed either inside garages or in backyards and out of sight from the street. Trash and recyclables must be inside receptacles. Arrangement for pick-up of larger items must be made with the City.

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FIRE PREVENTION

Homeowners are responsible for prevention of fires and potential fire hazards. All units should be equipped with working smoke and carbon monoxide detectors. It is also recommended that homeowners and residents have home fire extinguishers.

WATER AND WATER PIPES

Water is provided to Becton Park from Devonshire Court and is provided as part of monthly assessments. All homes should be equipped with water pressure safety valves (located near the hot water heater). Prolonged outside temperatures below freezing can result in frozen water pipes if precautions are not taken by homeowners and residents. These precautions include, but are not limited to:

- Maintaining interior heat of at least 55 degrees F.
- Allowing all faucets to drip during cold outside temperatures, to prevent standing water from freezing
- Informing neighbors during absences in cold weather months.
- If the unit is vacant during cold weather months, turn off the main water supply and drain all pipes.
- Shut off all outside faucets

If away for a few days, turn off the water to the washing machine to prevent flooding when the home is unoccupied.

CLUBHOUSE AND SWIMMING POOLS

Becton Park residents have access to rental of the Lynton Place clubhouse and use of the Lynton Place swimming pools. The rules and regulations for rental, clubhouse usage, and swimming pool usage must be followed. Contact the rental agent for Lynton Place to reserve the clubhouse.

EASEMENTS

Easements for the installation and maintenance of driveway, walkway, water line, gas line, telephone, cable television, electric power line, sanitary sewer, water and storm drainage facilities and for other utility installations are reserved by the Association. Within such easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation of sewerage disposal facilities and utilities, or which may change the direction or flow of drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. In addition the Association shall have the continuing right and easement to maintain all sewer and water lines located on the Lots.

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BECTON PARK AT LYNTON PLACE HOMES ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is Becton Park at Lynton Place Homes Association, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 145 Scaleybark Road, Charlotte, North Carolina, but meetings of members and directors may be held at such places within Mecklenburg County, North Carolina, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

- Section 1. "Association" shall mean and refer to Becton Park at Lynton Place Homes Association, a North Carolina non-profit corporation, its successors and assigns.
- Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.
- Section 3. "Properties" shall mean and refer to the "Existing Property" described in Article II, Section 1 of the Declaration of Covenants, Conditions and Restrictions of Becton Park at Lynton Place filed for record contemporaneously herewith, and any additions thereto as are or shall become subject to said Declaration and brought within the jurisdiction of the Association under the provisions of Article II of said Declaration.
- Section 4. "Common Area" shall mean all the real property owned by the Association for the common use and enjoyment of the Owners. The Townhouse Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

All of that land designated "Common Area" or "Private Streets" on the plat entitled "Becton Park at Lynton Place", which appears of record on map recorded in Map Book at Page in the Mecklenburg Public Registry, specifically excluding all Lots as hereinafter defined, but including all private streets shown on said map.

- Section 5. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on any recorded subdivision map of the Properties with the exception of the Common Area.
- Section 6. "Declarant" shall mean and refer to John Crosland Company and shall also mean and refer to any person, firm or corporation which shall hereafter become vested, at any given time, with title to two or more undeveloped Lots for the purpose of causing residence building(s) to be constructed thereon, and any such successor in title to John Crosland Company shall be a Declarant during such period of time as said party is vested with title to two or more such Lots (whether undeveloped or developed and unconveyed), but no longer.
- Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.
- Section 8. "Master Association" shall mean and refer to Lynton Place Homeowners Association, a non-profit corporation formed under Chapter 55A of the North Carolina General Statutes, which shall own and manage the Lynton Place Common Area and the Lynton Place recreational facilities located on the Lynton Place Homeowners Association property for the benefit of all owners in Lynton Place.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

- Section 1. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.
- Section 2. The voting rights of the membership shall be appurtenant to the ownership of the Lots. There shall be two classes of Lots with respect to voting rights:
- (a) Class A Lots. Class A Lots shall be all Lots except Class B Lots as the same are hereinafter defined. Each Class A Lot shall entitle the Owner(s) of said Lot one (1) vote. When more than one person owns an interest (other than a leasehold or a security interest) in any Lot all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any one Class A Lot.
- (b) Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been converted to Class A Lots as provided in (1) or (2) below. The Declarant shall be entitled to three (3) votes for each Class B Lot owned by it. The Class B Lots shall cease to exist and shall be converted to Class A Lots:

		* . * *

the Class A Lots equal the total number of votes appurtenant to the Class B Lots, provided, that all Lots owned by Declarant shall revert to Class B Lots and thereby shall be reinstated with all rights, privileges, and responsibilities of such Class, if, after the above provided conversion of Class B Lots to Class A Lots, additional lands are annexed to the Properties (with or without the assent of Class A members) and such annexed Properties are developed by the Declarant, thus making the Declarant the owner, by virtue of newly created Lots and of other Lots owned by Declarant, of a sufficient number of Class B Lots to cast a majority of votes (it being hereby stipulated that the conversion and reconversion shall occur automatically as often as the foregoing facts shall occur); or

· (2) On December 31, 1991.

Section 3. In the event that the Owner of any residence ceases to occupy that residence as his own personal living quarters or in the event that any property within the development is leased for rental purposes to tenants, then, in such event, the vote as expressed by rental tenants, if voted in a bloc, shall not be entitled to any weight greater than forty-nine (49%) percent on any matter pending before the Association.

ARTICLE IV

PROPERTY RIGHTS

- Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and pass with the title to every Lot, subject to the following provisions:
- (a) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations;
- (b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class of Lots (Class A and Class B) agree to such dedication or transfer and signify their agreement by a signed and recorded written instrument, provided that this subsection shall not preclude the Board of Directors of the Association from granting easements to public authorities or others for the installation and maintenance of sewerage, utilities and drainage facilities upon, over, under and across the Common Area without the assent of the membership when, in the sole opinion

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of such Board, such easements do not interfer with the use and enjoyment of the Properties or are necessary for the convenient use and enjoyment of the Properties;

- (c) The rights of Owners to the exclusive use of parking spaces as provided in Section 3 of this Article IV;
- (d) The right of the Association, with the written assent of Members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class of Lots (Class A and Class B), to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

Section 2. Delegation of Use.

- (a) Family. The right and easement of enjoyment granted to every Owner in Section 1 of this Article IV may be exercised by members of the Owners' family who occupy the residence of the Owner within the Properties as their principal residence in Mecklenburg County, North Carolina.
- (b) Tenants or Contract Purchasers. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants or contract purchasers who occupy a residence within the Properties, or a portion of said residence, as their principal residence in Mecklenburg County, North Carolina.
- (c) <u>Guests</u>. Recreational facilities situated upon the Properties may be utilized by guests of Owners, tenants or contract purchasers subject to the rules and regulations of the Association, as may be established by its Board of Directors, governing said use.

Section 3. Parking Rights.

- (a) Recreational Vehicles. No campers, trucks, vans, or recreational vehicles may be parked or kept within the Properties, except within enclosed garages. No trailers, boats or tractors may be parked or kept within the Properties, except within enclosed garages.
- (b) No On Street Parking. No vehicles of any kind may be parked within the bounds of the private streets.
- (c) Rules and Regulations Regarding Parking. The Board of Directors of the Association may make such reasonable rules and regulations as it may elect with respect to the parking of vehicles as aforesaid and may amend and vary the requirements of (a) and (b) above without the consent of the Members of the Association.

ARTICLE V

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 8:00 p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President, Secretary or majority of the members of the Board of Directors, or upon written request of the members entitled to one-fourth (1/4) of the votes appurtenant to Class A Lots.

Section 3. Place of Meetings. All meetings of the members shall be held at such place, within Mecklenburg County, North Carolina, as shall be determined by the Board of Directors of the Association.

Section 4. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, or by hand delivery, not less than 15 days nor more than 50 days before the date of the meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the exact purposes of the meeting, including the text of any proposals to be voted on at such special meeting. Waiver by a member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 5. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes appurtenant to each Class of Lots (Class A and Class B) shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

Section 7. Informal Action by Members. Any action which may be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by all of the persons who would be entitled to vote upon such action at a meeting, and filed with the Secretary of the Association to be kept in the Association minute book.

ARTICLE VI

BOARD OF DIRECTORS

- Section 1. General Powers. The business and affairs of the Association shall be managed by a Board of Directors.
- Section 2. Number, Term and Qualification. The number of directors of the Association shall be five. At the first annual meeting the members shall elect one director to serve for a term of one year, two directors to serve for a term of two years and two directors to serve for a term of three years. At each annual meeting thereafter the members shall elect the number of directors needed to replace the directors whose terms have just expired. Each director shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies. Directors need not be members of the Association.
- Section 3. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.
- Section 4. Election. Except as provided in Section 6 of this Article, the directors shall be elected at the annual meeting of the members, by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled under the provisions of Article III of these By-Laws. The persons receiving the highest number of votes shall be elected. Cumulative voting is not permitted.
- Section 5. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association.
- Section 6. Vacancies. A vacancy occurring in the Board of Directors may be filled by the selection by the remaining directors

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of a successor who shall serve for the unexpired term of his predecessor. The members may elect a director at any time to fill any vacancy not filled by the directors.

Section 7. Compensation. No director shall receive compensation for any service he may render to the Association in the capacity of director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VII

MEETINGS OF DIRECTORS

- Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.
- Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days' notice to each director.
- Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.
- Section 4. Informal Action by Directors. Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the directors and filed with the minutes of the preceedings of the Board, whether done before or after the action so taken.
- Section 5. Chairman. A Chairman of the Board of Directors shall be elected by the directors and shall preside over all Board meetings until the President of the Association is elected. Thereafter, the President shall serve as Chairman. In the event there is a vacancy in the office of the Presidency, a Chairman shall be elected by the Board of Directors to serve until a new President is elected.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- Section 1. Powers. The Board of Directors shall have power to:
- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct

of the members and their guests thereon, and to establish penalties for the infraction thereof;

- (b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association pursuant to the provisions of the Declaration. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and contract with a management company to manage the operation of the Association, and in the event a contract is entered into with a management company, such contract must be terminable by the Board of Directors without cause or penalty on thirty (30) days notice and any management contract made with the Declarant shall be for a period not to exceed three years;
- (f) employ attorneys to represent Association when deemed necessary;
- (g) grant easements for the installation and maintenance of sewerage, utilities or drainage facilities upon, over, under and across the Common Area without the assent of the membership; and
- (h) appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient.
- Section 2. Duties. It shall be the duty of the Board of Directors to:
- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by members entitled to at least one-fourth (1/4) of the votes appurtenant to Class A Lots.
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

- (c) as more fully provided in the Declaration, to:
- (1) fix the amount of the annual assessment against each Unit at least thirty (30) days before January 1 of each year.
- (2) send written notice of each assessment to every Owner subject thereto at least fifteen (15) days and before January 1 of each year;
- (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liablity insurance covering the Association in an amount not less than \$1,000,000.00 and adequate hazard insurance on the real and personal property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area and all facilities erected thereon to be maintained; and
- (h) cause the exterior of the dwellings to be maintained.

ARTICLE IX

OFFICERS AND THEIR DUTIES

- Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.
- Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.
- Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or be otherwise disqualified to serve.

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- Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.
- Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
- Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.
- Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all promissory notes and in the absence of the Treasurer shall sign all checks.

Vice-President

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

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

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

ARTICLE X

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI

BOOKS AND RECORDS

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

ARTICLE XII

ASSESSMENTS

As more fully provided in Article V of the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of Eight (8%) percent per annum or the maximum interest rate permitted to be legally charged under the laws of the State of North Carolina at the time of delinquency, whichever is less, plus such late charge as may be established by the Board of Directors, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys fees of any such action shall be added to the amount of such assessment. No Owner

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may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Unit.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Becton Park at Lynton Place Homes Association, Charlotte, North Carolina, 1985.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present at a meeting duly called for such purpose in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Becton Park at Lynton Place Homes Association, a North Carolina corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Becton Park at Lynton Place Homes Association, as duly adopted at a meeting of the Board of Directors thereof, held on the day of ______, 1986.

	I have hereunto subscribed my Association this day of	name and
	* 1_ 2	# # # W
-	Secretary	

State of North Carolina

Department of the Secretary of Sta

APR 2 10 02 AH '87

CHARLES E CROWDER

MECKLENBURG CO. N.C.

To all to whom these presents shall come, Greeting:

I, Thad Eure, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached (5 sheets) to be a true copy of

OF

BECTON PARK AT LYNTON PLACE HOMES ASSOCIATION

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and the probates thereon, the original of which was filed in this office on the 27th day of March 19 87, after having been found to conform to law.

In Witness Whereof, I have hereunto set my hand and affixed my official seal.

Done in Office, at Raleigh, this 27th day of March in the year of our Lord 19 87.



PRAWN BY AND MAIL TO.
PERRY, PATRICK, FARMER & MICHAUX
P. O. BOX 35308
PHARLOTTE NORTH CAROLINA 2823

Secretary of State

endy Secretary of State

office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

- (c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) borrow money, and with the assent of members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class A Lot and Class B Lot, mortgage, pledge, deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the property rights of the members of the Association as provided in Article IV of the Declaration;
- (e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class A Lot and Class B Lot, agreeing to such dedication, sale or transfer;
- (f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the consent of the members as provided in paragraph (d) above;
- (g) annex additional residential property and Common Area pursuant to the provisions of Article II, Section 2, of the Declaration: and
- (h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

ARTICLE IV

FINANCE

This corporation is a non-stock corporation and no part of the profits (if any) of the corporation shall inure to the pecuniary benefit of its members or to any other person.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

The voting rights of the membership shall be provided in the Declaration and By-Laws of the Corporation.

ARTICLES OF INCORPORATION

O

BECTON PARK AT LYNTON PLACE HOMES ASSOCIATION

In compliance with the requirements of Chapter 55A of the FILT North Carolina General Statutes, the undersigned, a natural personeure of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and herebysin CAROLINA certifies:

ARTICLE I

NAME

The name of the corporation is Becton Park at Lynton Place Homes Association, hereinafter called the "Association".

ARTICLE II

REGISTERED OFFICE AND INITIAL AGENT

The registered office of the Association is located at 145 Scaleybark Road, Charlotte, North Carolina, 28209. The location of the registered office may be changed by a majority vote of the Board of Directors. The name of the initial registered agent at the above address is John R. Carpenter.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate a pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

Being all of that certain parcel of land lying and being in the City of Charlotte, Mecklenburg County, North Carolina, and being more particularly described in the metes and bounds description attached hereto as SCHEDULE A and incorporated herein by reference.

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for this purpose to:

- (a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions recorded in or to be recorded in the Mecklenburg Public Registry, and as set forth in any Supplementary Declaration filed pursuant to Article II, Section 2 of said Declaration, applicable to the above described property, as the same may be amended from time to time, said Declaration and any such Supplementary Declaration (hereinafter jointly and individually referred to as "Declaration") being incorporated herein as if set forth at length;
- (b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by an initial Board of five (5) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Name	Address
Robert E. Gugenheim, Jr.	145 Scaleybark Road Charlotte, N. C. 28209
Daniel L. Evans	145 Scaleyhark Road Charlotte, N. C. 28209
Susan M. Majual	145 Scaleybark Road Charlotte, N. C. 28209
John D. Carpenter	145 Scaleybark Road Charlotte, N. C. 28209
Maureen M. Floyd	145 Scaleybark Road Charlotte, N. C. 28209

At the first annual meeting, the members shall elect one (1) director for a term of one year, two (2) directors for a term of two (2) years, and two (2) directors for a term of three (3) years. At each annual meeting thereafter, the members shall elect the number of directors needed to replace the directors whose terms have just expired.

ARTICLE VII

DISSOLUTION

The Association may be dissolved only upon the signed written assent of the members entitled to not less than three-fourths (3/4) of the votes appurtenant to each Class A and Class B Lot. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE VIII

DURATION

The period of existence of this corporation is unlimited.

ARTICLE IX

AMENDMENTS

Amendment to these Articles shall require the assent of the members entitled to at least three-fourths (3/4) of the entire vote of the membership.

CORPORATION **800K**

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ARTICLE X

FHA/VA APPROVAL

As long as there is Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area dedication of Common Area, dissolution and amendment of these Articles.

ARTICLE XI

INCORPORATOR

The name and address of the incorporator is as follows:

James G. Wallace

900 Baxter Street, Suite 300 Charlotte, North Carolina

IN WITNESS WHEREOF, I, the undersigned incorporator have hereunto set my hand and seal this 4 day of _______ 1987.

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

and State do hereby certify that James G. Wallace, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this day of

My Commission Expires:

CORPORATION PAGE 0161 0917

EXHIBIT A

BEING all of the property shown on map of Becton Park at Lynton Place recorded in Map Book 21 at page 765 in the Mecklenburg Public Registry.

PRESENTER: FOR REGISTA 1109

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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OF BECTON PARK AT LYNTON PLACE

CHAPLE TORONOSE : SECTION OF CEEDS MECALLIMINES CO. N.C. 15

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS made this day of Mark, 1987, by JOHN CROSLAND COMPANY, A NORTH CAROLINA LIMITED PARTNERSHIP, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Declarant is the owner of the real property shown on a map of Becton Park at Lynton Place, which map is recorded in Map Book 21 at page 745 in the Mecklenburg Public Registry and which property is more particularly described in Section 1 of Article II hereof; and

WHEREAS, Declarant desires to create thereon an exclusive residential community of single-family patio homes to be named BECTON PARK AT LYNTON PLACE; and

WHEREAS, Declarant desires to insure the attractiveness of the subdivision and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all properties within the subdivision and to provide for the maintenance and upkeep of the exterior of all patio homes, the private streets and the Common Area; and, to this end desires to subject the real property shown upon the aforesaid map, together with such additions as may hereafter be made thereto, to the covenants, conditions; restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in said subdivision and to insure the residents enjoyment of the specific rights, privileges and easements in the private streets and any other Common Area, as hereinafter defined, and to provide for the maintenance and upkeep of the exterior of all patio homes, the private streets and the Common Area, to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the private streets, Common Area and the exterior of the patio homes and administering, enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated under North Carolina law, BECTON PARK AT LYNTON PLACE HOMES ASSOCIATION, as a non-profit corporation for the purpose of exercising and performing the aforesaid functions;

aforesaid functions;

NOW THEREFORE, Declarant, by this Declaration of Covenants,
Conditions and Restrictions, does declare that all of the property
shown on the aforesaid map of Recton Park at Lynton Place and such
additions thereto as may be hereafter made pursuant to Article II
thereof, is and shall be held, transferred, sold, conveyed and
occupied subject to the covenants, conditions, restrictions,
easements, charges and liens set forth in this Declaration which
shall run with the real property and be binding on all parties
owning any right, title or interest in said real property or any
part thereof, their heirs, successors and assigns, and shalf inure
to the benefit of each owner thereof.

CASH

MAIL TO: Joyce Leatherwood, John Grotland Company P. C. Box 11231 Charlotte, NC 28220

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26.00 26.00 26.00

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REALESTATE BOOK PAGE 5458 0058

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Becton Park at Lynton Place Homes Association, a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to the "Existing Property" described in Article II, Section 1 hereof, and any additions thereto as are or shall become subject to this Declaration and brought within the jurisdiction of the Association under the provisions of Article II hereof.

Section 4. "Common Area" shall mean all the real property owned by the Association for the common use and enjoyment of the Owners including the private streets. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

All of that land designated "Common Area" or "Private Streets" on the plat entitled "Becton Park at Lynton. Place", which appears of record on map recorded in Map Book 1 at Page 765 in the Mecklenburg Public Registry, specifically excluding all Lots as hereinafter defined, but including all private streets shown on said map.

Section 5. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to John Crosland Company and shall also mean and refer to any person, firm or corporation which shall hereafter become vested, at any given time, with title to two or more undeveloped Lots for the purpose of causing patio homes to be constructed thereon, and any such successor in title to John Crosland Company with respect to more than one Lot shall be a Declarant during such period of time as said party is vested with title to two or more such Lots (whether undeveloped or developed and unconveyed), but no longer.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 8. "Master Association" shall mean and refer to Lynton Place Homeowners Association, a non-profit corporation formed under Chapter 55A of the North Carolina General Statutes, which shall own and manage the Lynton Place Common Area and the Lynton Place recreational facilities located on the Lynton Place Homeowners Association property for the benefit of all owners in Lynton Place.

REAL ESTATE BOOK PAGE

5458 0059 ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND WITHIN THE JURISDICTION OF THE BECTON PARK AT LYNTON PLACE HOMES ASSOCIATION

ADDITIONS THERETO

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, and within the jurisdiction of the Association is located in the City of Charlotte, Mecklenburg County, North Carolina, described as follows:

Being all of the property shown on map recorded in Map Book 21 at page 765 in the Mecklenburg Public Registry.

- Section 2. Additions to Existing Property. Additional land may be brought within the scheme of this Declaration and the jurisdiction of the Association in the following manner:
- (a) Additional land within the area described in the metes and bounds description attached hereto as SCHEDULE A and incorporated herein by reference may be annexed to the existing property by Declarant, in future stages of development, without the consent of the Association or its Members, provided that said annexations must occur within three years after the date of this instrument; provided that the FHA and the VA determine that the annexation is in accord with the general plan heretofore approved by them. Declarant may remove all or any property from the Schedule A description prior to its annexation by filing a written declaration of removal in the Mecklenburg Public Registry.
- (b) The additions authorized under Subsection (a) above shall be made by filing of record Supplementary Declarations of Covenants, Conditions and Restrictions with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to the benefits, agreements, restrictions and obligations set forth herein, including, but not limited to, assessments as herein determined, to pay for the Association's expenses.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

- Section 1. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.
- Section 2. The voting rights of the membership shall be appurtenant to the ownership of the Lots. There shall be two-classes of Lots with respect to voting rights:
- (a) Class A Lots. Class A Lots shall be all Lots except Class B Lots as the same are hereinafter defined. Each Class A Lot shall entitle the Owner(s) of said Lot one (1) vote. When more than one person owns an interest (other than a leasehold or a security interest) in any Lot all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any one Class A Lot.

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- (b) Class B Lots. Class B Lots shall be all Lots owned by Declarant (as "Declarant" is defined in Article I, above) which have not been converted to Class A Lots as provided in (1) or (2) below. The Declarant shall be entitled to three (3) votes for each Class B Lot owned by it (or them). The Class B Lots shall cease to exist and shall be converted to Class A Lots:
- (1) When the total number of votes appurtenant to the Class A Lots equal the total number of votes appurtenant to the Class B Lots, provided, that all Lots owned by Declarant shall revert to Class B Lots and thereby shall be reinstated with all rights, privileges, and responsibilities of such Class, if, after the above provided conversion of Class B Lots to Class A Lots, additional lands are annexed to the Properties (with or without the assent of Class A members) and such annexed Properties are developed by the Declarant, thus making the Declarant the owner, by virtue of newly created Lots and of other Lots owned by Declarant, of a sufficient number of Class B Lots to cast a majority of votes (it being hereby stipulated that the conversion and reconversion shall occur automatically as often as the foregoing facts shall occur; or

(2) On December 31, 1991.

Section 3. In the event that the Owner of any residence ceases to occupy that residence as his own personal living quarters or in the event that any property within the development is leased for rental purposes to tenants, then, in such event, the vote as expressed by rental tenants, if voted in a bloc, shall not be entitled to any weight greater than forty-nine (49%) percent on any matter pending before the Association.

ARTICLE IV

PROPERTY RIGHTS

- Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and pass with the title to every Lot, subject to the following provisions:
- (a) The right of the Association to suspend the voting rights for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations;
- (b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class of Lots (Class A and Class B) agree to such dedication or transfer and signify their agreement by a signed and recorded written instrument, provided that this subsection shall not preclude the Board of Directors of the Association from granting easements to public authorities or others for the installation and maintenance of sewerage, utilities and drainage facilities upon, over, under and across the Common Area without the assent of the membership when, in the sole opinion of such Board, such easements do not interfer with the use and enjoyment of the Properties or are necessary for the convenient use and enjoyment of the Properties;
- (c) The rights of Owners to the exclusive use of parking spaces as provided in Section 3 of this Article IV;

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(d) The right of the Association, with the written assent of Members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class of Lots (Class A and Class B), to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Section 2. Delegation of Use.

- (a) Family. The right and easement of enjoyment granted to every Owner in Section 1 of this Article IV may be exercised by members of the Owners' family who occupy the residence of the Owner within the Properties as their principal residence in Mecklenburg County, North Carolina.
- (b) Tenants or Contract Purchasers. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants or contract purchasers who occupy a residence within the Properties, or a portion of said residence, as their principal residence in Mecklenburg County, North Carolina.
- (c) <u>Guests</u>. Recreational facilities situated upon the Properties may be utilized by guests of Owners, tenants or contract purchasers subject to the rules and regulations of the Association, as may be established by its Board of Directors, governing said use.

Section 3. Parking Rights.

- (a) Recreational Vehicles. No campers, trucks, vans, or recreational vehicles may be parked or kept within the Properties, except within enclosed garages. No trailers, boats or tractors may be parked or kept within the Properties, except within enclosed garages.
- (b) No On Street Parking. No vehicles of any kind may be parked within the bounds of the private streets.
- (c) Rules and Regulations Regarding Parking. The Board of Directors of the Association may make such reasonable rules and regulations as it may elect with respect to the parking of vehicles as aforesaid and may amend and vary the requirements of (a) and (b) above without the consent of the Members of the Association.
- Section 4. Innovative Streets and Street Storm Drainage Facilities. Due to the innovative design of the streets and street storm drainage facilities in Becton Park, the Association shall have the option, within a period of two years from the date of completion of the construction of the private streets and street storm drainage facilities of securing the services at the Association's expense, of an independent licensed engineer to make an evaluation of the streets and street storm drainage facilities to determine if deficiencies exist as a result of the innovative design of the streets and street storm drainage facilities. Any costs associated with correcting any deficiencies, in excess of the funds held as reserves by the Association, shall be the responsibility of Declarant.
- Section 5. Permanent Easements over Devonshire Court.

 Condominium Common Areas and Facilities. Declarant assigns to the Association its rights and interests in and to the easements reserved by Declarant in Section 6(b) of Article V of the Declaration of Unit Ownership for Devonshire Court Condominium recorded in Book 5039 at Page 622 in the Mecklenburg Public

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Registry necessary for the development and use of the Becton Park subdivision. Pursuant to the provisions of Section 6(b), the Association shall contribute its pro-rata share of the cost of the operation and maintenance of such portions of the Devonshire Court Common Areas and Facilities including the maintenance of Tremaine Court.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs and reasonable attorney's fees shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time the assessment is due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Purposes of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the maintenance, repair, and reconstruction of the exterior of patio homes, fences constructed by Declarant, private streets and any other Common Area, for the payment of governmental or private water and sewage disposal charges, for assessments levied against the Lots by the Maintenance Association, and for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, including but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise. In addition, expenditures by the Association for the landscaping, planting and maintenance of areas within Lots, but lying in front of patio homes shall be deemed expenditures for the recreation, health, safety and welfare of the residents of the Properties and are hereby authorized.

Section 3. Maximum Monthly Assessment. Until January 1 of the year inmediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment shall be \$7900 per Class A Lot and \$2000 per Class B Lot. Except that those Class B Lots which are occupied by residents, shall be assessed at the same rate as Class A Lots beginning at the time of occupancy.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessments above established may be increased, effective January 1 of each year, without a vote of the membership, but subject to the limitation that any such increase shall not exceed 12% of the maximum assessment for the previous year without a vote of the membership.

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- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, said maximum annual assessments may be increased without limitation if such increase is approved by Members entitled to no less than two-thirds (2/3) of the votes (appurtenant to each Class of Lots) represented in person or by proxy at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessments at amounts not in excess of the maximum, but the ratio of the assessment established for each Class A Lot to the assessment established for each Class B Lot shall always be three to one; with the assessment with respect to any Class B Lot converted to Class A Lot or reconverted from Class A to Class B to be prorated and charged according to its Class as of the date of each conversion and reconversion.
- Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the same assent of the Members as provided in Section 3(b) of this Article and shall be in the ratio of three to one as provided in Section 3(c) of this Article.
- Section 5. Assessment Rate. Both annual and special assessments must be fixed at a uniform rate for all Lots within each class and may be collected on a monthly basis.
- Section 6. Notice and Ouorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty (60%) percent of the votes appurtenant to each Class of Lots (Class A and Class B) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.
- Section 7. Date of Commencement of Annual Assessments; Due Dates; Certificate of Payment. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance to the Association of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot for the next year and at least fifteen (15) days before January 1 shall send written notice of such fixed assessment to every Owner subject thereto. The due dates for the payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.
- Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight (8%) percent per annum or the maximum interest rate

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permitted to be legally charged under the laws of the State of North Carolina at the time of such delinquency, whichever is less. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been theretofore established by the Board of Directors of the Association to defray the costs of late payment. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, late payment fee, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien, but the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to any installment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust.

Section 10. Exempt Property. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Reserves. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Areas and those other portions of the Properties which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expense.

ARTICLE VI

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made, including the erection of antennas, satellite dishes or disks, aerials, awnings, the placement of reflective or other material in the windows of a patio home or other exterior attachment, until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with. The Association shall have the right to charge a reasonable fee for receiving each application in an amount not to exceed \$25.00. Neither the Board of Directors nor the architectural control commitment shall approve any alterations, decorations or

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modifications which would jeopardize or impair the soundness, safety or appearance of any Lot or the Common Area. Provided that nothing herein contained shall be construed to permit interference with the development of the Properties by the Declarant in accordance with its general plan of development. Approval from the Association must also be obtained prior to planting anything other than decorative flowers and small to medium size shrubbery in the area located between the front of the patio home and the street.

ARTICLE VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: Paint, repair, replace and care of walks, driveways, roofs, gutters, downspouts, exterior building surfaces, fences construction by Declarant, trees, shrubs, and other exterior improvements, including grass and other vegetation in those portions of each Lot lying in front of the patio home, however, each Owner shall be responsible for watering the grass and shrubbery located on his or her Lot. Such exterior maintenance shall not include glass surfaces and each Owner shall be required to maintain his own glass and his own patio, deck and any fencing not constructed by Declarant. Any Owner may choose to perform maintenance of his own yard that would normally be the responsibility of the Association, but in no event, shall such Owner be entitled to any offset or deduction in his assessment, for performing such maintenance. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article.

Each Owner shall be responsible for maintaining the grass, shrubbery and area within the fence enclosure. If such an Owner does not maintain the fence and area in a manner satisfactory to the Board, the Board shall have the right to maintain same and the cost of such maintenance shall be added to and become a part of the assessment to which such Lot is subject.

In the event that the need for maintenance, repair, or replacement is caused through the willful, or negligent act of the Owner, his family guests, or invitees, the cost of such maintenance, replacement, or repairs incurred by the Association, shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE VIII

INTERIOR MAINTENANCE

Each Owner shall maintain, repair and replace at his expense all improvements on his Lot which shall need repair, including patios, fencing not constructed by Declarant and decks located on the Lot, and all bathroom and kitchen fixtures, light fixtures or other electrical or plumbing equipment, pipes and fittings serving an Owner's unit which are located in a party wall, if any. Further, each Owner shall repair, maintain and replace at his own expense when necessary, the heating and air conditioning systems servicing his dwelling, whether located on his Lot or in the Common Area adjacent to the Lot.

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ARTICLE IX

USE RESTRICTIONS

Section 1. Land Use. All Lots shall be used for residential purposes only and only one family may occupy a Lot as a principal residence at any one time. Declarant may maintain a sales office, models and construction office in one or more units until all units to be located on the Properties have been sold.

Section 2. Nuisance. No noxious or offensive activity shall be conducted upon any Lot or in any dwelling nor shall anything be done thereon or therein which may be or may become an annoyance or nuisance to the neighborhood.

Section 3. Animals. No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided they are not kept or maintained for commercial purposes.

Section 4. Temporary Structures. No structure of a temporary nature shall be erected or allowed to remain on any Lot unless and until permission for the same has been granted by the Association, or its designated agent or representative.

Section 5. Use of Common Area. The Common Area shall not be used in any manner except as shall be approved or specifically permitted by the Association.

Section 6. Access to Lot. The Association, its agents or employees shall have access to all Lots from time to time during reasonable working hours, upon oral or written notice to the Owner, as may be necessary for the maintenance, repair or replacement of any portion of the Common Area, or facilities situate upon such Lot which serve another Owner's Lot. The Association or its agent shall also have access to each Lot at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Area or another Lot.

Section 7. Clothes Drying. No drying or airing of any clothing or bedding shall be permitted outdoors on any Lot or in any other unenclosed area (including patios) within the Properties other than between the hours of 8 A.M. and 5 P.M. on Monday through friday and 8 A.M. through 1 P.M. on Saturdays (except when any such day shall fall upon a holiday) and clothes hanging devices such as lines, reels, poles, frames, etc., shall be stored out of sight other than during the times aforementioned.

Section 8. Signs. No signs or other advertising devices shall be displayed upon any Lot which are visible from the exterior of the dwelling thereon or on the Common Area, or in the facilities thereon, without prior written permission of the Association. Declarant, however, may post temporary for sale signs on the Properties until such time as all units owned by Declarant have been sold.

Section 9. Garbage Disposal. All garbage shall be stored within the residence of each Owner or in the storage facilities, if any, provided for said residence at the time same is constructed. No Owner may change or supplement the garbage disposal facilities provided for such Owner's residence on the date of completion of construction thereof unless the Board of Directors of the Association shall first approve in writing the change or addition to the method of storage. It is provided, however, that if the public health authorities, or other public agency, shall require a

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specific method of garbage disposal, nothing herein contained shall prevent the compliance by Owners with obligatory public rules and regulations.

Section 10. Regulations. Reasonable regulations governing the use of the Common Area and external appearance of the patio homes may be made and amended from time-to-time by the Board of Directors of the Association; provided, however, that all such regulations and amendments thereto shall be approved by a majority vote of the Owners before the same shall become effective. Copies of such regulations and amendments thereto shall be furnished to each Member by the Association upon request.

ARTICLE X

EASEMENTS

Easements for the installation and maintenance of driveway, walkway, parking area, water line, gas line, telephone, cable television, electric power line, sanitary sewer, water and storm drainage facilities and for other utility installations are reserved as shown on the recorded plat. The Association may reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities over the Properties as provided in Article IV, Section 1(c) of this instrument. Within any such easements above provided for, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation of sewerage disposal facilities and utilities, or which may change the direction of flow or drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. In addition the Association shall have the continuing right and easement to maintain all sewer and water lines located on the Lots.

Each Owner of a Lot with a fence or driveway constructed by the Declarant which encroaches on Common Area owned by the Association or an adjacent Lot shall have an easement over that portion of the Common Area or adjacent Lot affected by the encroaching fence or driveway for the purpose of using said portion of the Common Area or Lot for his own benefit and for the purpose of maintaining the encroaching fence or driveway in good condition and repair. In the event of a fence encroachment, it shall be the Owner's responsibility to maintain that portion of the Common Area or adjacent Lot located within the encroaching fence (i.e., that portion of the Common Area or adjacent between the Owner's Lot and said fence). In the event of an encroachment by a driveway, it shall be the Owner's responsibility to maintain the encroaching driveway in good condition and repair.

ARTICLE XI

INSURANCE

Section 1. All Insurance Carriers are required to maintain a Best's Rating. Lloyds of London is acceptable and coverage under a FAIR plan is also acceptable, if the only coverage available.

Insurance coverage on the Property shall be governed by the following provisions:

- (a) Ownership of Policies. All insurance policies upon the Common Area shall be purchased by the Association for the benefit of all the Association and the Owners and their mortgages as their interest may appear.
- (b) Coverage. All buildings and improvements, if any, upon the Common Area and all personal property included in the

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Common Areas and facilities shall be insured in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provide protection against:

- (1) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and
- (2) Such other risks as from time to time shall be customarily covered with respect to buildings on the Common Area.
- (3) Such policies shall contain clauses providing for waiver of subrogation.
- (c) <u>Liability</u>. Public liability insurance shall be secured by the Association with limits of liability of no less than One Million Dollars (\$1,000,000.00) per occurrence and shall include an endorsement to cover liability of the Owners as a group to a single Owner. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary.
- (d) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association and charged to the Owners as an assessment according to the provisions of Article V above.
- (e) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees as their interest may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustees under this Declaration. The sole duty of the Association as insurance trustees shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein or stated in the By-Laws and for the benefit of the Owners and their mortgagees in the following shares:
- (1) Proceeds on account of damage to Common Areas and facilities held for the Association.
- (2) In the event a mortgagee endorsement has been issued for any Lot, the share of the Owner shall be held in trust for the mortgagee and the Owner as their interest may appear.
- Section 2. Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:
- (a) Expense of the Trust. All expenses of the insurance trustees shall be first paid or provisions made therefor.
- (b) <u>Reconstruction or Repair</u>. The remaining proceeds shall be paid to defray the cost of repairs. Any proceeds remaining after defraying such cost shall be distributed to the beneficial Owners as above provided.
- Section 3. Fidelity Insurance or Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association or those held in trust, shall first be bonded by a fidelity insurer to indemnify the Association for any loss or default in the performance of their duties in an amount equal to at least three (3) months' assessments plus reserves accumulated.

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ARTICLE XII

FINANCING PROVISIONS

- Section 1. Approval of Owners and Holders of First Deeds of Trust. Unless at least seventy-five percent (75%) of the Owners and holders of first deeds of trust on Lots located within the property described on "Schedule A", have given their prior written approval, the Association shall not:
- (a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association. The granting of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this clause.
- (b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot Owner.
- (c) By act or omission change, waive or abandon any plan of regulation, or enforcement thereof pertaining to the architectural design or the exterior appearance of residences located on Lots, the maintenance of common fences and driveways, or the upkeep of lawns and plantings in the subdivision.
- (d) Fail to maintain fire and extended coverage insurance on insurable improvements in the Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value.
- (e) Use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement or reconstruction of the damaged improvements.
- Section 2. Books and Records. Any Owner and holder of a first deed of trust on any Lot will have the right to examine the books and records of the Association during any reasonable business hours.
- Section 3. Payment of Taxes and Insurance Premiums. The Owners and holders of first deeds of trust on Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge or lien against any of the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for property owned by the Association and the persons, firms or corporations making such payments shall be owed immediate reimbursement therefor from the Association.

ARTICLE XIII

GENERAL PROVISIONS

- Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.
- Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

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Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by the Owners of not less than ninety (90%) percent of the Lots and thereafter by an instrument signed by the Owners of not less than seventy-five (75%) percent of the Lots. Any amendment must be properly recorded. For the purpose of this section additions to existing property as provided for in Article II, Section 2, hereof shall not be deemed an "Amendment."

Section 4. FHA/VA Approval. In the event the Declarant has arranged for and provided purchasers of Lots with VA or FHA insured mortgage loans, then as long as any Class B lot exists, as provided in Article III hereof, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, other than as provided in Article II, Section 2 hereof, deeding of common area to persons other than the Homeowner's Association, and Amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed the day and year first above written.

JOHN CROSLAND COMPANY, A NORTH CAROLINA LIMITED PARTNERSHIP

By: Crosland Homes, Inc., General Partner

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

CORPORATE SEAL)

This day of Mount, 1987, personally came before me who, being by me duly sworn, says that he is the difference of Crosland Homes, Inc., General Partner of John CROSLAND COMPANY, A NORTH CAROLINA LIMITED PARTNERSHIP, and that the seal affixed to the foregoing instrument in writing is the corporate seal of Crosland Homes, Inc. and that said writing was signed and sealed by him, in behalf of said Corporation as General Partner of John Crosland Company, a North Carolina Limited Partnership, by its authority duly given. And the said deed of said Corporation as General Partner.

Notary Rublic Notary Rublic

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EXHIBIT A

BEING all of the property shown on map of Becton Park at Lynton Place recorded in Map Book 21 at page 765 in the Mecklenburg Public Registry.