

## SUMMARY OF DECLARATIONS OF COVENANTS AND RESTRICTIONS

The following is a digest of Unit 8 (Pebble Creek) Homeowners Association "Covenants and Restrictions" intended to give readers a general knowledge of what is required of association members. The complete "Covenants and Restrictions" should be reviewed if you have any questions.

### ARTICLE I - DEFINITIONS AND DESCRIPTION OF PROERTY

Section 1.1: Define's various terms used in the covenants: (Association, developer, owner, common areas, residential lot, dwelling unit, subdivision, declarations or covenants and association documents.)

### ARTICLE II - RESTRICTIVE COVENANTS AND EASEMENTS

Section 2.1: Lots may be used only for residential purposes.

Section 2.2: Sets forth rules for new buildings and structures. Governs new additions, alterations, etc.

Section 2.3: Outlines procedures that were followed transferring architectural review from the developer to Board of Directors. Specifies's Board of Directors will appoint Architectural Review Committee (ARC) and will review appeals of ARC decisions.

Section 2.4: Prohibits temporary or permanent structures - trailers, house trailers, mobile homes, campers, tents, dog or pet houses, shacks, sheds, barns, etc. - to be on any lot for storage or dwelling purposes unless approved by the ARC.

Section 2.5: All motor vehicles must have a current license and be in good condition. Prohibits any type of vehicle from being driven anywhere other than on paved streets or parking areas.

Section 2.6: Prohibits boats and/or boat trailers from being parked for over five hours in any 24 hour period or stored except in an approved boathouse or garage. Prohibits parking of any commercial vehicle with lettering or advertising on it for more than five hours in a 24 hour period or stored except in a garage. Prohibits parking on the street of any vehicle for over five hours in a 24 hour period.

Section 2.7: Prohibits animals other than dogs, cats, fish or small birds or other domesticated household pets. Pets cannot be kept for any commercial purpose. The Board of Directors have the right to determine if any animal is a domesticated household pet.

Pets are not permitted to roam free in the neighborhood. No more than two dogs or cats or combination thereof is permissible.

Section 2.8: Prohibits signs except approved signs giving the name of residents or real estate for sale signs.

Section 2.9: Bans nuisances such as unreasonable noises, unpleasant odors, unsightly appearances and immoral or illegal actions.

Section 2.10: Prohibits keeping rubbish, trash, et. on any lot. Prohibits incinerators and other fixed equipment for storage of waste material.

Section 2.11: Specifies that mailboxes and newspaper holders are subject to approval of the ARC.

Section 2.12: Prohibits hedges over six feet in height and all walls or fences unless approved by the ARC. (Hedges are a row of closely planted, low growing trees or shrubs forming a fence or boundary.)

Section 2.13: Prohibits septic tanks, drain fields, mobile home storage tanks and similar items.

Section 2.14: Specifies driveways cannot impede drainage.

Section 2.15: Specifies owners are liable for the costs of installation and maintenance of underground utility lines.

Section 2.16: Prohibits outside TV or radio antennas, masts, aerials, etc. (Federal law mandates that satellite TV dishes cannot be prohibited by homeowners associations. However, associations may specify the size and placement of dishes.)

Section 2.17: Outlines what easements have been established.

Section 2.18: Grants authority to Association to grant easements, etc. in common areas and over existing easements.

Section 2.19: Grants easements on zero lot lines for construction, maintenance, repair, etc.

Section 2.20: Gives owners easement on adjoining property if dwelling inadvertently encroaches on adjoining property.

Section 2.21: Gives association access to lots for maintaining landscaping and to exterior of dwellings for painting or repairing without an obligation to do either.

Section 2.22: Pertains to access to building lots for new construction of dwellings.

Section 2.23: Leases must be approved by the Board and can not be for less than six months or for more than one family.

Section 2.24: Prohibits permanently installed flagpoles and statuary law ornaments. Removable flagpoles and flags for temporary or infrequent use are subject to approval of the Board of Directors.

Section 2.25: Owners and families, invitees and lessees must comply with policies and procedures established for security purposes.

Section 2.26: Prohibits outdoor clothes lines. Requires screening to be approved by the ARC.

Section 2.27: Outlines rights of developer during construction / development period. (No longer applicable.)

### ARTICLE III

Section 3.1: States Association shall operate common areas and enforce covenants.

Section 3.2: Persons become Association members automatically when they acquire ownership interest.

Section 3.3: Mortgagees, etc. are not association members unless they acquire title via foreclosures, etc.

Section 3.4: Outlines Association authority: power and authority to enforce provisions of covenants, levy and collect assessments, promulgate and enforce rules and regulations governing the use of common areas.

Section 3.5: Association has the power but not the obligation to maintain lawns, plants and landscaping, provide painting, exterior wall cleaning and maintenance, roof repair and maintenance and other dwelling exterior maintenance and repair services. Owners of property who receive these services are liable for their cost. Cost of general services, e.g., lawn mowing, fertilizing, applying of insecticide and herbicide, exterior wall cleaning and painting, are paid for via assessments levied by the board.

Section 3.6: The following are subject to the approval by the ARC: New buildings, additions, modifications to the exterior of dwellings including but not limited to siding material, color, trim, windows or roofs or construction of any type. Also subject to ARC approval are the construc-

tion or modification of any fence, wall, screen enclosure, patio, deck, shed, pool, spa, bath, pet house, driveway, walkway or material modification to landscaping scheme or other improvement or structure. ARC has 30 days to approve submissions, If submission is not approved within 30 days, it is automatically rejected.

Association may prohibit unapproved additions, etc. by seeking an injunction or restraining order. Covenants provide that members consent to the entry of the injunction or restraining order.

Association/ARC is absolved of any liability for its actions or inactions in administering these provisions. The lot owner is solely responsible for the quality and safety of any improvement.

Section 3.7: Association has authority to adopt reasonable rules and regulations not in conflict with the covenants.

Section 3.8: Developer for all Indigo Lakes Subdivisions had the right to establish a master association. (This was not done and since Point O'Woods is not governed by a homeowners association, it is unlikely that a formal master association will ever be formed.)

#### **ARTICLE IV**

#### **COVENANTS OR ASSESSMENTS**

Section 4.1: Owners agree to all terms, covenants, conditions, restrictions and other provisions of the Declarations of Covenants and Restrictions by the acceptance of a deed or similar instrument conveying ownership of a lot or dwelling in the Association Subdivision.

Owners are obligated to pay all periodic assessments or charges and special assessments for the purposes set forth in Section 4.2 (below). Assessments are automatically a lien on property.

Section 4.2: Specifies purpose of assessments, e.g., improvement, maintainance, enhancement, enlargement and operation of common areas; maintainance, repair, replacement and enhancement of individually owned lots, grounds and improvements; purchase of authorized services such as insurance, repairs, etc.

Section 4.3: Provided for initial assements during development period. Specifies Board of Directors will determine monthly assements at annual meeting. Assessment can not be increased after being set at the annual meeting without the consent of 60 percent of voting members in attendance in person or by proxy at a special meeting. Ten days notice of this meeting is required. However, Board can levy an emergency assessment not to exceed one month's regular assessment.

Section 4.4: Lessees may be required to pay assessments by terms of their lease. Such lessees will receive voting proxies from owner.

Section 4.5: Board must adopt budget at least 30 days prior to start of new fiscal year. Approval of owners is not required if assessments are not increased by more than 15 percent. If over 15 percent, owners must approve.

Section 4.6: Contains provisions establishing reserves for maintenance of common areas.

Section 4.7: Contains provisions regarding initial assessments.

Section 4.8: Delinquent assessments are subject to 18 percent (annual) interest penalty. Association permitted to file lien for delinquent assessments. No exceptions for payment of assessments permitted.

Section 4.9: Upon request from an owner, Association via the treasurer will provide prospective purchasers, mortgagees or other authorized persons with a statement showing the current status of assessments on the owners lot/dwelling unit. The statement is binding.

Section 4.10: All revenue collected by the Association must be held in a separate Association account.

Section 4.11: Owners can not individually use their pro rata share of Association funds in any manner.

Section 4.12: Provides for automatic liens on member properties for the collection of assessments.

Section 4.13: Liens may be foreclosed in the same manner as real estate mortgages.

Section 4.14: Notifies all persons, firms, etal that acquire ownership interest in Association property of lien rights of Association.

Section 4.15: Contains provisions pertaining to the time lien becomes effective and what data must be included in the lien.

## **ARTICLE V**

### **AMENDMENT AND TERMINATION**

Section 5.1: Provides that owner/developer of property could change restrictions when they owned 75 percent or more of the property. (No longer applicable.)

Section 5.2: Eighty percent of dwelling/lot owners may amend declarations. Outlines procedures for filing the amendment after votes have been cast in favor of the amendment at an Association meeting.

**ARTICLE VI**  
**USE OF COMMON PROPERTY**

Section 6.1: Common areas are for the benefit of all Association members.

Section 6.2: Association permitted to charge reasonable user, maintenance or other fees for the use of recreational facilities, if any. Association may suspend privileges of owners to use common areas if their assessments are delinquent. The Association cannot transfer, dedicate or encumber any common area/property without the consent of two thirds of the voters.

Section 6.3: Owners and/or occupants of Association dwellings agree to abide by and comply with all rules and regulations promulgated by the Association.

**ARTICLE VII**  
**COVENANTS AGAINST PARTITION AND SEPARATE TRANSFER OF**  
**MEMBERSHIP RIGHTS**

Owners have undivided rights to common areas/property. These rights are not transferable.

**ARTICLE VIII**  
**COVENANTS TO RUN WITH LAND**

Covenants run with the land. Declaration is automatically extended for successive ten year periods unless it is altered, changed, modified or repealed in whole or in part by a vote of 75 percent of owners.

**ARTICLE IX**  
**OUTLINES ASSOCIATION OBLIGATIONS TO NOTIFY MORTGAGE**  
**HOLDERS, INSURER OR GUARANTORS**

Mortgagees must be notified of any 60 day delinquency in payment of assessments. (The other provisions of this article are inapplicable as the Association has no mortgages or other loans.)