

ARCHITECTURAL REVIEW GUIDELINES WATER OAK

INTRODUCTION.

The Architectural Review Committee (the "ARC") has been established by the Developer of Water Oak (the "Community") to review all plans for new homes and remodeling and alterations of existing homes.

The Developer functions as the ARC until all homesites have been improved with a structure. The Developer is not required to transfer this power to the Water Oak Homeowners Association (the "Association") until then.

The ARCHITECTURAL REVIEW GUIDELINES (the "GUIDELINES") are intended to ensure that all proposed construction, remodeling, and improvements conform to the architectural standards that have been developed for the Community, and to assure that the cohesive residential character is maintained. They outline the criteria that will guide the architectural development of the Community, to achieve the goals of compatible, consistent and complimentary design.

While these GUIDELINES are written primarily for new construction, they also apply to any alterations, additions or repainting of existing structures.

The ARC is empowered to review all aspects of any improvements which may, in the reasonable opinion of the ARC, affect the living enjoyment of one or more Owners or the general value of the Community.

All Owners and Builders should carefully review the GUIDELINES before undertaking any construction or improvements on their property.

Any Owner or Builder proceeding with construction, alterations, additions or repainting without prior approval by the ARC risks having to correct or remove any violation at his own expense.

The GUIDELINES may be updated and revised over the course of the development as determined necessary.

**ARTICLE I.
PROCESS AND PROCEDURE.**

1.0. The Design Review Coordinator.

A Design Review Coordinator (the "Reviewer") has been appointed to coordinate the design review process, to interpret the GUIDELINES, and to offer suggestions about housing concepts. All Owners and Builders are urged to meet with the Reviewer to assist with the planning of their homes and subsequent remodeling or alterations.

1.1. The Review Process.

The ARC will review all plans for new construction and alteration for conformance to the GUIDELINES and DECLARATION, and all reviews, substitutions and approvals by the ARC are binding and final.

In its sole discretion, the ARC may refuse approval of plans, location, exterior color or finish or specifications for any reason, including purely aesthetic reasons.

Nothing in the GUIDELINES obligates any government agency to approve any plans, nor shall approval by the ARC be interpreted as meeting the requirements of any governing agency.

1.2. Submission of Plans.

Two (2) sets of professionally prepared plans for the proposed improvements must be submitted for approval, and must include:

- the dimensioned floor plan, at a scale of one-fourth inch (1/4") equals one foot (1'), showing: decks, patios, stoops, retaining walls related to the residential dwelling, trash enclosures, HVAC equipment and utilities (and the screening of same), and connections to driveways and walkways;
- the four elevations, at a scale of one-fourth inch (1/4") equals one foot (1'), showing: building materials and finishes, and indicating the maximum height of the residential dwelling;
- the roof plan showing: slopes, pitches and gables; unless shown on the other plans;
- the landscape plan (including a schedule of all plant materials, including the size and quantities of all materials), at a scale of one inch (1") equals a minimum of twenty feet (20'), showing: location and criteria noted above, protection of existing vegetation, use of plants, and other landscaping details.

The ARC may require samples of proposed construction materials.

1.3. ARC Approval or Disapproval.

If approved, one (1) set of the plans and specifications will be marked "Approved" and returned to the Owner and the remaining set will be filed in the offices of the ARC.

If the approved plans and specifications are changed, they must again be submitted in duplicate for review and approval.

If not approved, one (1) set of the plans and specifications will be marked "Disapproved" and returned to the Owner accompanied by a statement of the items found to be unacceptable. The Owner must make the required corrections and resubmit the plans and specifications to the ARC for its approval.

Once approved, construction must be promptly commenced and diligently pursued to completion. If not commenced within six (6) months of the approval date, the approval shall be deemed rescinded. Thereafter, the plans and specifications must again be approved.

1.4. Failure of the ARC to Act.

If the ARC fails to act on a conforming submittal within fifteen (15) days of its receipt, the plans and specification shall be deemed approved provided the submittal was complete. If a submittal is not complete, the ARC may reject them, or may approve or disapprove part, conditionally or unconditionally, and reject the balance.

1.5. Variances.

The ARC is empowered to grant a variance approval for proposed construction that is inconsistent with the GUIDELINES but not in the case of any circumstance that violates the DECLARATION. Variances shall conform with and blend effectively with the general architectural style and design of the Community and shall not materially change the scheme of the GUIDELINES.

Written requests for variances shall be deemed to be disapproved if the ARC has not acted on the requests in writing within thirty (30) days of the submission.

No member of the ARC shall be liable to any Owner for any claims, causes of action or damages arising out of the grant or denial of any variance.

Each variance request shall be reviewed separately and apart from other such requests, and the grant of a variance to any Owner shall not constitute a waiver of the ARC's right to strictly enforce the GUIDELINES or the DECLARATION against any other Owner.

1.6. Appeal.

An applicant may appeal a decision of the ARC by resubmitting the information, documents and fees. However, the appeal shall be considered only if the applicant has modified the proposed construction or modification or has new information which would, in the ARC's opinion, warrant a reconsideration. The ARC shall have 10 days from the date of the resubmittal to approve or disapprove it.

1.7. Implementation of Approved Plans.

All work must conform to the approved plans. If any work completed or in progress is found not to be in compliance with an approval issued by the ARC, the ARC shall notify the Owner and/or Builder in writing detailing the particulars of noncompliance and requiring corrective measures to be taken. If the Owner and/or Builder fails to commence and continue diligently toward achieving compliance, the violation will be turned over to the Association for further action as prescribed by the DECLARATION.

1.8. Limitation of Liability.

Plans and specifications are not reviewed or approved for engineering or structural design or quality of materials.

By approving plans and specifications, neither Developer, the ARC, nor the Association assumes liability or responsibility for them, or for any defect in any structure constructed from such plans and specifications.

Neither the ARC nor the Association nor Developer shall be liable in damages or otherwise to any Owner by reason of a mistake of judgment, negligence or nonfeasance arising out of or in connection with any submittal for approval or disapproval or failure to approve or disapprove any plans or specifications.

Every person who submits plans or specifications, and every Owner agrees that he will not bring any action or suit against Developer, the Association, the ARC, the Board of Directors, or the officers, directors, members, employees and agents of any of them, to recover damages and hereby releases, remises and quitclaims all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

1.9. Enforcement

The Association shall have the specific right (but not obligation) to enforce the provisions of the GUIDELINES and / or to prevent any violation of the provisions contained therein by a proceeding at Law or in equity against the person or persons violating or attempting to violate any such provisions.

As to nonconforming or unapproved improvements, the Association may require the Owner to restore the improvements to the condition existing prior to the construction thereof, including, without limitation, the demolition and removal of any unapproved improvements if such improvements were commenced or constructed in violation of the GUIDELINES or the DECLARATION.

In addition, the Association may, but has no obligation to, cause such restoration, demolition and removal and levy the amount of the cost thereof as a special individual assessment against the homesite upon which such improvements was commenced or constructed.

1.10. Diligent Construction.

All improvements must be completed within one (1) year following commencement of construction (i.e., commencement of clearing) unless a longer time is approved in writing by the ARC.

All construction, landscaping or other work which has been commenced must be continued with reasonable diligence to completion and no partially completed houses or other improvements shall be permitted to exist, except during such reasonable time period as is necessary for completion.

All lawn areas and landscaping must be installed in accordance with approved plans no later than three (3) months after the date on which a Certificate of Occupancy has been issued for the residence.

1.11. Governmental Requirements.

Nothing herein contained shall be deemed to constitute a waiver of any governmental requirements applicable to any homesite and all applicable governmental requirements or restrictions relative to the construction of improvements shall continue to be applicable.

To the extent that any Iredell County or other local government ordinance, building code or regulation requires a more restrictive standard than the standards set forth in these GUIDELINES or the DECLARATION, the local government standards shall prevail. To the extent that any local government standard is less restrictive, the DECLARATION and the GUIDELINES (in that order) shall prevail.

The Community may be subject to a Mountain/Island Watershed Protection Ordinance (the "Watershed Ordinance"). All Owners shall comply with the Watershed Ordinance which, among other things, limits the amount of impervious surface that may be constructed on each homesite, regulates ground disturbing and vegetation removal activities within watershed buffer areas and regulates chemical storage and disposal activities.

1.12. Architectural Standards Bulletins.

The ARC may, from time to time, publish architectural standards bulletins which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of the DECLARATION.

The ARC shall be responsive to technological advances and general changes in architectural design and materials and related conditions in future years and use its best efforts to balance the equities between matters of taste and design and use of private property.

Such bulletins shall supplement these GUIDELINES and the DECLARATION, and are incorporated herein by reference.

1.13. Architectural Standards.

The ARC may disapprove plans if, in its sole judgment, the massing, architectural style, roof line, exterior materials, colors or other features do not meet the standards of the GUIDELINES.

1.14. Review Fees.

The ARC and the Association may impose reasonable fees related to the review and administration of all requests for improvement and remodeling in the Community.

ARTICLE II. ARCHITECTURAL DESIGN.

2.0. Architectural Style.

Traditional architectural styles are preferred as the basis of the design. However, contemporary interpretations of traditional designs may be acceptable, if they conform to the GUIDELINES. The designs must be compatible with traditional architectural styling in terms of make, shape, profile, scale, and proportion.

2.1. Design Features.

The following considerations are among those to be addressed when developing the architectural design for improvements:

- There shall be a consistency in the site planning, architecture, and landscape improvements.
- Sensitive interpretation of the architectural style is encouraged within the constraints of budget and site
- A consistent scale shall be used throughout the design of the residence and other improvements with each element designed in proportion to the other design elements.
- The building materials shall allow for a pleasing and harmonious exterior appearance. Building materials shall be used logically.
- Appropriate colors shall be used.
- Bay windows shall be carried down to grade or visual support of cantilevered conditions must be expressed. When bay windows are stacked in a two-story configuration, the blank panel between all facets shall be accented.
- Masonry or stucco used as a veneer material on the facade of a residence shall continue around the front corners of such residence to a logical point of termination.
- Shed roof forms are discouraged.
- Roof shapes and configurations shall be planned to avoid complex, awkward, or odd roof designs.
- Unless otherwise required by the applicable public utility, transformers, electric, gas or other meters of any type, or other apparatus shall be located at the rear of the buildings or, if approved by the ARC in writing, located elsewhere on the homesite provided they are adequately screened as required by the ARC in accordance with the provisions of the DECLARATION and GUIDELINES.
- Exterior disconnects for air conditioning equipment, etc. shall be mounted at the lowest point allowed by applicable building codes.

- Gas meters must be adequately screened with landscape improvements to conceal equipment from view. Unless otherwise approved by the ARC, no gas meters shall be set in the front of a residence unless the meter is an underground type.

2.2. New Construction.

Construction of new buildings only shall be permitted, it being the intent of the DECLARATION and the GUIDELINES to prohibit the moving of any existing building onto a homesite and remodeling or converting the same into a structure.

2.3. Structure Types.

Each homesite may contain only one detached single-family private structure and one private garage and only such other accessory structures as are approved by the ARC.

2.4. Prefabricated Structures.

Prefabricated or factory built structures shall not be permitted. Manufactured units shall not be employed as elements in the construction of residential structures except by the express written consent of the ARC.

2.5. Massing.

Equal attention to detail and architectural definition must be given to all sides of the structure, including, but not limited to, the foundations, banding, accent materials, roof character and window treatments.

All exposed concrete block or poured concrete foundations and site retaining walls must be covered with an appropriate wail-facing material.

ARTICLE III. CONSTRUCTION.

3.0. Site Approval.

After approval and prior to the commencement of construction or grading, the location of the structure shall be clearly marked on the homesite. The Owner and / or Builder shall request in writing that the ARC inspect the proposed location as marked.

The ARC shall inspect the proposed location within two (2) weeks of the request, and notify the Owner in writing of its approval or disapproval of the proposed location. If disapproved or approved only if modified, the grounds upon which such action is based shall be communicated to the Owner and/or Builder in writing. The ARC shall make reasonable efforts to assist and advise the applicant so that an acceptable location may be marked and submitted for approval.

The Owner or Builder may not commence any grading or cutting of trees prior to approval of the proposed location.

3.1. Location of Improvements.

The ARC shall have the right to control absolutely (subject to the provisions of zoning ordinances of the appropriate governmental authorities), the precise site and location of any building or structure. The location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site.

3.2. Setbacks.

Setback requirements from property lines are established by governmental ordinance and are subject to public utility easements, drainage easements, landscape easements depicted on the recorded plat, and rights-of-way. The buildings on each homesite shall not be located nearer to the homesite boundary line than the setback, sideline and rear yard requirements.

3.3. Sight Line Limitations.

Unless governmental requirements impose a stricter standard, no fence, wall, hedge, or shrub planting that obstructs sight lines at elevations between two (2) and six (6) feet above roadways shall be placed on any corner homesite within the triangular area formed by the street property lines and a line connecting them at a point thirty-five feet (35') from the street intersection, or in the case of a rounded street property corner, from the intersection of the street property lines, as extended. These sight line limitations may be shown on the recorded plat(s) of the Property.

The same sight line limitations shall apply within ten feet (10') from the intersection of a street property line with the edge of a driveway or alley pavement.

No tree shall be permitted to remain within the distances of the intersection unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines.

3.4. Minimum House Size.

No single family residential structure shall be located on any homesite unless said structure shall have at least 1,000 square feet of heated living area. This square footage area is exclusive of areas in heated or unheated basements, vaulted ceiling areas and attics, unheated porches of any type, attached or detached garages, porte-cocheres and unheated storage areas, decks and patios.

3.5. Maximum Structure Height.

No structure shall contain more than three (3) stories above ground level. The ARC shall have the right (but not the obligation), because of steep topography or unique homesite configuration, to allow greater heights on rear and side elevations.

3.6. Erosion and Sediment Control.

To the extent deemed reasonably necessary by the Developer and/or appropriate government agencies, sufficient sediment control measures shall be taken by the Owner and / or Builder to ensure that all sediment resulting from any land disturbance or construction operation is retained on the homesite. These measures may include, but not be limited to, the installation and maintenance of silt fences, straw base fences, storm water inlet protection or retention ponds and temporary seeding. All sediment control measures must be maintained until the homesite has been permanently stabilized with landscaping.

3.7. Grading.

Owners shall not grade their property so as to interfere with the established drainage pattern over any property except as approved in writing by the ARC. Owners should work with the natural contours and seek solutions that minimize the impact of grading.

3.8. Drainage.

The established drainage pattern is defined as the drainage pattern as engineered and constructed by the Builder prior to (or in some cases, immediately following) conveyance of title from the Builder to the Owner. Landscape plans shall conform to the established drainage pattern, shall cause water to drain away from the foundation of the house, and shall prevent water from flowing under or ponding near or against the house foundation. Water should flow fully over walkways, sidewalks or driveways into the street. The ARC may require a report from a drainage engineer as part of landscaping or improvement plan approval. Sump pump drainage should be vented a reasonable distance from the property line to allow for absorption. Owners may not make drainage modifications unless approved by the ARC.

3.9. Exterior Materials.

Exterior materials shall be brick, stone, cedar shake or horizontal siding.

Brick exteriors must cover the front of the home and must be wrapped around to cover at least twenty-four (24) inches of the sides of the home.

Architectural features such as quoin-corners are encouraged.

Horizontal siding must be fully back-supported to maintain a straight and even outer surface and must be fully and properly finished.

The use of any vinyl siding is prohibited.

Natural weathering of exterior wood materials is prohibited.

Imitation stone or brick-like materials are generally discouraged and may be used only upon prior written approval of the ARC.

The exterior materials of all structures on all homesites shall be harmonious and complementary.

Exterior materials on all houses shall be specified in the plans submitted to the ARC for approval.

The recommended siding materials are: natural wood lap siding, "hardi-plank or similar concrete impregnated board lap siding, and natural cedar shakes or shingles.

Stucco may not be used as the primary material of a structure. It may be used as a secondary or trim material and to cover foundation walls. All stucco is to be painted to match, or at minimum be compatible with, the primary exterior color of the structure.

3.10. Exterior Colors.

Exterior colors shall be specified in the plans submitted to the ARC for approval.

The exterior colors of the walls and roof of single-family residential structures shall be compatible and harmonious with the colors of nearby single-family residential structures.

Trim colors shall be compatible with the primary field color and limited to architectural details such as fascia, frames, shutters, front door, etc.

The color of walls of adjacent residential structures shall not be the same, unless the concept of a grouping of similar structures so specifies.

Owners may repaint in accordance with the originally approved color scheme of any dwelling or improvement. ARC approval is required for all changes in exterior painting: Review criteria may include, but shall not be limited to, the sheen of paint, the home's architecture, any existing stone or brick accents, roof color, and neighboring properties' colors.

3.11. Exterior Lighting

Exterior lighting (which must be approved by the ARC as part of the building plans and specifications) must be limited to areas within the building envelope (unless otherwise approved in writing by the ARC), must not result in excessive glare and must not interfere with the privacy of nearby structures, all as determined by the ARC in its sole discretion.

Light sources must be approved by the ARC and must be concealed, where possible, and all light shall be in shades of white. Colored lights are prohibited. No spillover of light can occur on neighboring properties. Wall washes can be achieved through a soffit-mounted, wall or ground light. Tree uplights shall be limited to moderate use only, and should be concealed underground or in shrub masses.

Garden lights or walkway bollards should direct the light downward with a concealed spotlight.

No mill finish aluminum housing will be allowed for landscape lighting.

3.12 Roofs.

Roofs and roof pitches shall be in proportion to the overall size and shape of the house. Except as specifically approved otherwise in writing by the ARC, the minimum roof slope shall be seven vertical to twelve (12) horizontal.

Acceptable roofing materials are minimum twenty-five (25) year warranty, architectural (sculpted) style; or composition (fiberglass) shingles. The ARC may consider other roofing materials. It shall be in the ARC's sole discretion to approve or disapprove other roofing materials.

All specific roof materials to be used must be approved in writing by the ARC as part of the final building plans and specifications prior to commencement of construction.

Roofing materials and colors shall be specified in the plans submitted to the ARC for approval.

No plumbing or heating vent shall penetrate roof surfaces that face the front street. All roof stacks and flashing must be painted to blend with roof color.

ARC approval is required for all rooftop equipment and accessories, unless specifically excepted in this section.

All rooftop mechanical equipment shall be screened from neighboring dwellings and yards, sidewalks, and streets. All rooftop equipment must match roofing colors or be of a color that complements the house and must be placed as inconspicuously as possible.

Exposed flashing gutters and downspouts must be painted to match the fascia and siding of the structure. No exposed attachment straps will be allowed.

Any installed solar energy equipment shall have the appearance of a skylight, shall have a finished trim material or curb, and shall not be visible from the street.

ARC approval for skylights is required. Skylights should be placed in locations so as not to detract from the building elevations.

3.13. Chimneys.

Chimneys shall be full foundation based and constructed of material approved in writing in advance by the ARC.

Chimneys shall have a design and location, and shall be constructed of a material that is appropriate to the house.

Exposed metal flues and wood chases shall not be used. Chimney cap covers are required for prefabricated metal flues.

Direct vent fireplaces shall be allowed only on the rear side of a residence.

3.14. Windows, Shutters, Doors.

Windows shall generally be the same type and style all around, the house.

Thermal pane windows are preferred, and exterior storm windows generally will not be permitted.

Wood windows are preferred; however, vinyl windows will be considered provided the style and profile are visually similar to wood windows.

Shutters are encouraged and shall fit the proportion and shape of the windows. ARC approval is required for exterior shutters. The shutters shall be of a material similar to and of a color and design generally accepted as complementary to the exterior of the house.

All windows and doors are encouraged to have wood caps or other approved decorative treatment.

Silver-finish aluminum doors (including sliding doors) and windows shall not be approved.

Factory-painted or anodized finish aluminum may be used, the color of which shall be specified in the plans submitted to the ARC for approval.

Windows should be clear glass or a tinted glass of bronze, grey, green or smoke colors. No reflective glass or reflective tinting may be used. Opaque glass block may be used on bath windows located on side and rear elevations.

ARC approval is required for the addition of screen doors or other type doors to a home or an accessory building. The material shall match or be similar to existing doors on the house and the color must be generally accepted as complementary to that of existing doors on the house.

The ARC must approve security treatments for doors and windows; however, no "burglar bars," steel or wrought iron bars, or similar fixtures shall be installed on the exterior of any windows or doors of any dwelling.

3.15. HVAC Equipment

No air conditioning or heating equipment or apparatus shall be installed on the ground in front of; or attached to any front wall of; any residence. Additionally, air conditioning and heating equipment and apparatus shall be screened from view from streets by landscape improvements as more particularly provided in the Landscape Guidelines.

Window or wall mounted air conditioning or heating units are prohibited.

3.16. Garages.

Garages are not required. Any garage located upon any homesite must be consistent in design with the overall architectural design of the structure as determined by the ARC, including the placement of the structure and driveway.

A porte-cochere that does not extend past the major building facade, and is constructed of the same building materials as part of the house, is allowed.

Carports shall be permitted. Related provisions to those of garages shall apply.

3.17. Driveways.

Driveways generally shall be constructed with concrete. Other hard surface materials may be considered and approved by the ARC if an exception is requested when plans are submitted for approval. The ARC reserves the right to require that all surface materials blend with the surroundings of the structure or neighborhood.

3.18. Decks and Balconies.

ARC approval is required for the installation of a deck or balcony, and such deck or balcony must be constructed in accordance with the following:

- Decks and balconies must be constructed of wood or other material similar to that of the residence. Decks and balconies must be installed as an integral part of the residence or patio area.
- Decks or balconies must be located so as not to obstruct or diminish the view of or create an unreasonable level of noise for adjacent property Owners. Construction shall not occur over easements and must comply with the applicable governmental requirements.

3.19. Patios.

ARC approval is required for the construction of patio covers, open patios, and enclosed patios.

Patio covers shall be constructed of wood or material generally recognized as complementary to the residence and be similar or generally recognized as complementary in color to the exterior color of the residence.

Free-standing patio covers are prohibited.

Open patios must be an integral part of the landscape plan and must be located so as not to create an unreasonable level of noise for adjacent property Owners. The patio color must be similar to or generally accepted as a color complementary to the design and color of the residence.

Enclosed patios shall be constructed of materials that are similar to or generally accepted as complementary to those of the residence.

3.20. Pools, Therapy Pools and Spas.

ARC approval is required for the installation of any outdoor hot tub, jacuzzi, sauna or spa (collectively "spas") and swimming pools, and related equipment. Plans for proposed swimming pools, spas, surrounding decks, fencing and screening must be approved before any clearing, grading or construction is commenced.

Spas shall be located in the rear yard only, shall be installed in such a way that it is not immediately visible to adjacent property Owners and shall not create an unreasonable level of noise for adjacent property Owners. Any spa shall be an integral part of the deck or patio area and/or the rear yard landscaping. Owners may be required to install safety features such as locks or covers for spas when such are not in use.

Pools shall be an integral part of the deck or patio area and/or the rear yard landscaping. Any pool shall be located in the rear yard, shall be installed in such a way that it is not immediately visible to adjacent property Owners, and shall not create an unreasonable level of noise for adjacent property Owners. Pools shall be fenced for safety purposes, and Owners may be required to install safety features such as locks or covers for these items when they are not in use.

The size, shape and setting of pools (including standard swimming pools, therapy pools and spas) must be carefully designed to be compatible with the surrounding natural and manmade environment. In locating swimming pools, therapy pools and spas, the following shall be considered:

- Indoor/Outdoor relationship;
- Setbacks imposed by the applicable Building Envelope;
- Views both to and from the pool area;
- Terrain (grading and excavation); and
- Fencing and privacy screening.

Pools, decks and related equipment will not be allowed outside of the building envelope area.

Pool and pool equipment enclosures must be architecturally consistent and harmonious with the residence and other structures in terms of their placement, mass and detail.

Pool and spa equipment shall be screened, housed or stored underground. All governmental requirements and restrictions applicable to swimming pools, spas and similar structures shall be applicable to the construction of swimming pools, spas and similar structures and approval by the ARC shall in no way relieve the Owner of the responsibility and obligation to comply with such governmental requirements.

Above ground pools are prohibited.

ARTICLE IV. CONSTRUCTION PROTOCOLS.

4.0. Inspections.

The Owner and / or Builder shall schedule and coordinate a review of all construction activities with the ARC to verify compliance with the approved plans and specifications.

The ARC may also perform additional periodic informal inspections to ensure that work is being performed in conformance with approved plans, these GUIDELINES and the Community-Wide Standard.

All inspections are observations only and will not relieve the obligation to obtain inspection approvals from governmental organizations having jurisdiction.

Job sites not in compliance with the DECLARATION, these GUIDELINES or approved plans will be issued a Notice of Violation and a punchlist of items needed to bring the construction and/or job site into compliance. Further construction is prohibited until such punchlist items have been corrected. Re-inspections of job sites resulting from the failure of the Owner and / or Builder shall result in the imposition of fine in the amount of \$50.00 payable to the ARC.

4.1. Vegetation Protection and Barricading.

Prior to any construction or clearing activities, the Owner and / or Builder shall take measures to protect vegetation. The type and materials of barricades may be reviewed by the ARC. In addition, the following actions are prohibited:

- Dumping backfill into an area containing protected vegetation (protected area),
- Excavating soil from a protected area,
- Falling trees into a protected area,
- Parking in or driving through protected areas,
- Stacking or storing supplies or equipment in protected areas,
- Changing site grading to causing drainage into a protected area,
- Locating temporary construction buildings in a protected area, or
- Disposing of toxic materials into a protected area.

4.2. Owner's Responsibility for Builder Compliance.

All Owners and Builders shall comply with such rules of the Association as are from time to time adopted with respect to construction of improvements.

All Owners shall be responsible to ensure that any contractor employed by it complies with all Builder's rules adopted by the Association from time to time.

4.3. Conduct.

The Owner must ensure that all contractors and subcontractors control the conduct of their employees while working in the Community. Loud music, profanity and other behavior which is unbecoming of a quality operation will not be tolerated. Employees violating this policy may be asked to leave the premises and may be denied access to the Community.

4.4. Site Cleanliness.

All sites must be maintained in a clean and orderly manner at all times. The storage of materials should be in an inconspicuous location within the site and stored neatly and orderly. All construction debris shall be stored in proper containers and periodically removed from the site.

Every Builder constructing improvements within the Community shall, consistent with standard construction practices, keep all portions of the homesite free of unsightly construction debris and shall at all times during construction either provide dumpsters for the containment of garbage, trash or other debris which is occasioned by construction of improvements or take other measures consistent with standard construction practices necessary to keep the homesite free of garbage, trash or other debris which is occasioned by the construction of Owner's improvements.

The Owner of each homesite shall ensure at all times that adjacent public and private areas are kept free from any dirt, mud, garbage, trash or other debris which is occasioned by construction of improvements. Developer or the Association, upon ten (10) days written notice, may provide for the cleaning of public and private areas due to the activities of the Owner or Builder and may assess the Owner a charge for such cleaning.

4.5. Construction Debris.

All stumps and brush are to be removed from homesites prior to foundation construction, and no such stumps, brush or other debris shall be buried on such homesites.

Construction debris shall be removed as often as necessary to keep the homesite and structure thereon attractive.

Construction debris shall not be dumped in any area of the Community.

4.6. Construction Vehicles.

All construction vehicles shall be parked only in areas designated and approved by the ARC.

4.7. Burning:

No burning shall be permitted without prior permission of the ARC.

Any request for burning must be accompanied by a current burning permit issued by the appropriate agencies.

4.8. Construction Damages.

Any damage to the infrastructure improvements or common area facilities of the Community or another Owner's property occurring during construction of the residence shall be the responsibility of the Owner and the Owner's contractor and must be corrected immediately to the satisfaction of the ARC, the Developer, and the Owner of the damaged property. If the damage is not corrected, the Developer or the Association may repair such damage and assess the costs to the Owner. Infrastructure improvements shall include but not be limited to curbs, sidewalks, lighting, utilities, pavement, street trees, etc.

**ARTICLE V.
MISCELANEOUS.**

5.0. Septic Tanks and Wells.

No septic tanks shall be installed, used or maintained on any homesite.

No wells shall be installed, used or maintained for human domestic water consumption nor shall any well be connected in any manner whatsoever to the water mains, laterals and piping serving the residence which shall furnish domestic water from sources beyond the boundary lines of the homesite.

5.1. Hoses and Pipes.

Except for the temporary use of hoses and the like which are reasonably necessary in connection with normal lawn maintenance and pipe clean-outs, no hose, water pipe, sewer pipe, gas pipe, drainage pipe, television cable or other similar transmission line shall be installed or maintained upon any homesite above the surface of the ground, unless such installation is expressly approved by the ARC.

5.2. Awnings and Overhangs.

The installation of awnings or overhangs requires ARC approval. The awning or overhang color must be the same as or generally recognized as complementary to the exterior of the residence.

5.3. Satellite Dishes and Antennae.

ARC approval of outside antennae and satellite dishes must be obtained before installation. See Initial Use Restrictions of the DECLARATION.

5.4. Accessory Buildings.

Owners shall secure ARC approval prior to constructing any accessory building, including sheds, or permanently installed playhouses. Accessory buildings shall meet the following criteria:

- An accessory building must be of the same color, material, and architectural style as the main residence or of a color, material, and style that is generally recognized as complementary to the main residence.
- An accessory building's roofing materials shall match those of the main residence.
- Accessory buildings shall be no larger than eight feet by eight feet.

- Any utilities servicing accessory buildings shall be installed underground.
- Accessory buildings shall be located in the rear yard and shall conform to the side and rear setbacks required by Iredell County or Town of Mooresville ordinances.
- Accessory buildings shall not unreasonably obstruct any adjacent neighbor's views of the Community's open areas and must be screened by a fence or vegetation conforming to the GUIDELINES.

5.5. Play Equipment.

Swing sets and similar outdoor play structures and equipment must be approved by the ARC.

Swing sets and similar outdoor play structures and equipment (excluding those on Common Property) must be located where they will have minimum impact on adjacent homesites. Such play equipment shall be located in the rear yard.

Permanently mounted basketball backboards shall be prohibited. Freestanding basketball goals may be used provided such goals are stored out of view when not in use.

Treehouses are prohibited.

A playhouse shall be considered an accessory building if it measures more than 20 square feet, is more than 5 feet high from peak to ground, or is constructed on a concrete slab or footing.

5.6 Flagpoles.

ARC approval is required for the installation of a flagpole. No more than one (1) flagpole may be approved and the flagpole height shall not exceed that of the peak roof line of the house.

5.7 Dog Runs and Kennels.

All dog runs require ARC approval regardless of the proposed location.

Only one dog run is permitted at any residence and may only be situated on the rear yard. It may not be any closer than 10 feet of a side property line, or closer than 25 feet of a rear property line.

A dog run may not be larger than 250 square feet. It must be integrated with landscaping, screened from street view, and constructed in accordance with the fencing requirements of the GUIDELINES.

Animal kennels are prohibited. No animal structure shall provide shelter for more than two dogs over six months of age:

5.8. Birdbaths, Birdhouses and Birdfeeders.

The installation of birdbaths, birdhouses and birdfeeders in front or side yards is generally discouraged. Approval for rear yard installations is limited to those with a height of three feet or less, including pedestal.

5.9. Mail and Newspaper Boxes.

The ARC shall adopt a standard design for approved mailboxes and news boxes and no mailbox, newspaper or news box shall be erected or maintained on any homesite or within street right-of-way unless of the standard design.

5.10. Clothes Lines.

No clothes lines of any description or type, or the drying of clothes shall be allowed on the outside of the structure on any homesite.

5.11. Signs.

All signs are subject to the Initial Use Restrictions of the DECLARATION.

Trade signs may not be displayed on any homesite at any time.

One security sign may be permitted in the front yard located either adjacent to the driveway or in close proximity to the front entrance of the main dwelling. The ARC may impose size, shape and color restrictions on security signs.

**ARTICLE VI.
LANDSCAPE GUIDELINES.**

6.0. Landscaping.

Landscaping is an essential element of design at Water Oak. Preservation of existing vegetation in addition to the introduction of plants native to the area must be considered in establishing the landscape design.

Owners shall comply with all Town of Mooresville and Iredell County ordinances which establish landscape buffers and landscape easements.

The ARC reserves the right to amend, from time to time, these LANDSCAPE GUIDELINES which shall establish approved standards, methods and procedures for landscape management in the Community. The ARC may also adopt one or more typical landscape plans consistent with the LANDSCAPE GUIDELINES that may be selected by an Owner. Unless otherwise set out, such authorized standards, methods and procedures may be used by the Owners without prior written approval by the ARC.

A written landscape plan must be submitted to the ARC as part of the initial plan submittal for the residence as previously set out in the GUIDELINES. Unless otherwise approved by the ARC, landscaping shall be completed in accordance with approved plans not later than ninety (90) days after occupancy of a residential structure or issuance of a certificate of occupancy, whichever first occurs.

In the case of existing homes, proposed changes and additions in landscaping must be submitted in detail as set out in the GUIDELINES. A time frame for completion shall be agreed upon between the ARC and the Owner.

Except for the building pad, driveways, alleys and sidewalks on each homesite, the surface of each homesite shall be of grass or other live foliage and/or ground cover and such grass, foliage and ground cover shall be neatly maintained at all times.

Except for the removal of dead trees, no trees measuring four inches (4 ") or more in diameter at a point three feet (3') above ground level nor any arbors, trellises or gazebos may be removed without the prior written approval of the Association and the Association may require the replacement, at the Owner's sole cost and expense, of any trees, arbors, trellises or gazebos removed without the permission of the ARC. Approval for the removal of trees located within ten feet (10') of the main structure or accessory building or within ten feet (10') of the approved site for such building will be granted unless such removal will substantially decrease the attractiveness of the Community.

6.1. Fences and Screening.

Screening may be required to be used within the Community.

- to define private spaces or to attract or divert attention to or from particular views
- in connection with free standing utility apparatus, such as transformers and switching equipment
- in connection with exterior, ground-level machinery, such as air conditioning and heating equipment
- in connection with outside storage and service areas for equipment and supplies.
- in connection with refuse containers and related storage areas.

Depending on circumstances, fences, walls, and landscaping are an acceptable method of screening. The ARC reserves the absolute right to determine which method is most appropriate.

Berms or banks are not permitted.

The location, color, size and design of all fences, screening and walls must be approved in advance in writing by the ARC prior to installation.

All fences to be installed in the Community must be made of PVC material. No other material other than PVC will be considered by the ARC.

Unless otherwise approved by the ARC, all walls must be of the masonry material used on the main structure of the house. (i.e. if brick is used as the masonry material on the main structure, any walls must be brick)

The specie and layout design of plant screens and hedges must be approved by the ARC.

Once an approved fence or wall has been erected on a side homesite boundary line which is a common boundary line with another homesite, that approved fence or wall design will be the only approved fence or wall design that may be erected on that common homesite line.

No double fencing will be allowed on side or rear homesite lines.

The maximum height of all fences, screening and walls shall be as follows:

- No fence, wall or screening shall exceed six feet (5') in height.
- More restrictive requirements may be imposed, from time to time, in the sole discretion of the ARC.
- If permitted, front yard fences, walls, and screening shall not exceed thirty-six inches (36") in height.
- There shall be no exceptions to these height restrictions.

All fence and wall installations shall include and incorporate compatible landscape plantings as an integral part of its design. The ARC shall prepare a landscape plan that must be complied with as a requirement for the approval of all fence and wall installations. The costs of preparing the landscape plan shall be borne by the Owner requesting approval of the fence or wall installation.

No fence, screening or wall (including for this purpose densely planted hedges, rows or similar landscape barriers) shall be erected, placed or maintained on any homesite nearer to any roadway fronting such homesite than the rear building corner of the main structure constructed on such homesite unless otherwise approved in advance in writing by the ARC.

All fences, screening or walls, whether constructed by the Owner or a Builder, shall be kept well repaired and maintained consistent with the Community-Wide Standard. In the event a fence or wall is damaged or destroyed, the Owner shall immediately repair or replace the same at the Owner's expense.

6.2. Retaining Walls.

All retaining walls require approval by the ARC.

Such walls shall be properly anchored to withstand overturning forces.

Stone walls shall be made thicker at the bottom than at the top to achieve stability.

All retaining walls shall incorporate weep holes into the wall design to permit water trapped behind them to be released.

Timbers for walls or other landscape use should be treated to resist decay.

Walls shall not be located so as to alter the existing drainage patterns.

Neither the Developer, the Association nor the ARC shall be responsible for ensuring the structural integrity or soundness of any approved retaining wall.