

## EXHIBIT "C"

### Initial Use Restrictions and Rules

The following restrictions shall apply to all of the Properties until such time as they are amended, modified, repealed or limited by rules of the Association adopted pursuant to **Article X** of the Declaration.

1. General. The Properties shall be used only for residential, recreational, and related purposes (which may include, without limitation, an information center and/or a sales office for any real estate broker retained by the Declarant to assist in the sale of property described on **Exhibits "A" or "B,"** offices for any property manager retained by the Association, or business offices for the Declarant or the Association) consistent with this Declaration and any Supplemental Declaration.

2. Restricted Activities. The following activities are prohibited within the Properties unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors:

(a) Parking of any vehicles on streets or thoroughfares within the Properties, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, boats and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages, except as otherwise authorized under the Declaration; provided, construction, service, and delivery vehicles shall be exempt from this provision during working hours, as such are defined by Mecklenburg County, for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Areas, and guests may park vehicles on the street for limited periods of time subject to such rules as the Board may adopt;

(b) Raising, breeding, or keeping of animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit; however, those pets which are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units, shall be removed upon request of the Board. The number of household pets generally considered to be outdoor pets such as dogs and cats shall not exceed three (3) in number except for newborn offspring of such household pets which are under nine (9) months in age. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed, and inoculated as required by law;

(c) Any activity which emits foul or obnoxious odors outside the Unit or creates noise or other conditions which tend to disturb the peace or threaten the safety of the occupants of other Units;

(d) Any activity which violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation;

(e) Pursuit of hobbies or other activities which tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Unit;

(f) Any noxious or offensive activity which in the reasonable determination of the Board tends to cause embarrassment, discomfort, annoyance, or nuisance to the occupants of other Units;

(g) Outside burning of trash, leaves, debris, or other materials, except during the normal course of development and/or constructing a dwelling on a Unit;

(h) Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Units, except alarm devices used exclusively for security purposes;

(i) Use and discharge of firecrackers and other fireworks;

(j) Dumping of grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, or pond, or elsewhere within the Properties, except that fertilizers may be applied to landscaping on Units provided care is taken to minimize runoff, and Declarant and Builders may dump and bury rocks, trees, and stumps removed from a building site in such areas as may be designated on recorded plats of the Properties;

(k) Accumulation of rubbish, trash, or garbage other than in appropriate containers stored out of sight of neighboring property until 24 hours before scheduled garbage pickups and shall be removed within 24 hours after scheduled garbage pick ups; provided, recycling activities shall be permitted so long as the recyclable materials are collected in approved containers or otherwise out of sight of neighboring property and are not allowed to create a condition which violates any other provision of these Initial Use Restrictions and Rules;

(l) Obstruction or rechanneling of drainage flows after location and installation of drainage swales, storm sewers, or storm drains, except that the Declarant and the Association shall have such right; provided, the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent;

(m) Subdivision of a Unit into two or more Units, or changing the boundary lines of any Unit after a subdivision plat including such Unit has been approved and filed in the Public Records, except that the Declarant and its designees shall be permitted to subdivide or replat Units which they own without Board approval;

(n) Use of any Unit for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a fixed or floating time schedule over a period of years;

(o) Discharge of firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;

(p) Any business or trade, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (ii) the business activity conforms to all zoning requirements for the Properties; (iii) the business activity does not involve regular visitation of the Unit by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the Properties; (iv) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board. The foregoing shall not preclude occasional garage sales, moving sales, rummage sales, or similar activities provided that such activities are not held on any one Unit more than once in any six-month period.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

The leasing of a Unit shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Builder approved by the Declarant with respect to its development and sale of the Properties or its use of any Units which it owns within the Properties.

(q) Conversion of any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit without the prior approval of the appropriate committee pursuant to **Article IX**, except that a Builder may temporarily convert carports or garages to finished space for use as a business or sales office for so long as such Builder owns any Unit primarily for re-sale; or

(r) Any construction, erection, or placement of any thing, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, except in strict compliance with the provisions of **Article IX** of the Declaration or as otherwise provided below. This shall include, without limitation, signs, basketball hoops, swing sets, and similar sports and play equipment; clotheslines; garbage cans; woodpiles; and hedges, walls, dog runs, animal pens, or fences of any kind.

3. Prohibited Conditions. The following shall be prohibited within the Properties:

(a) Plants, animals, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties;

(b) Structures, equipment, or other items on the exterior portions of a Unit which have become rusty, dilapidated, or otherwise fallen into disrepair;

(c) Towers, antennas, or other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind outside of the dwelling on a Unit other than (i) a customary antenna, which shall not extend more than ten (10) feet above the top roof ridge of the dwelling; and (ii) a satellite disc or dish no larger than 1 meter in diameter. In no event shall free-standing transmission or receiving towers which support satellite dishes larger than one meter in diameter or non-standard television antennae be permitted. Any apparatus permitted under this subsection which is visible from streets or other Units within the Properties shall be subject to approval in accordance with **Article IX** and compliance with such additional conditions (including, without limitation, conditions as to location and screening) as may be imposed by the New Construction Committee or Modifications Committee thereunder, provided such conditions do not cause unreasonable cost or delay and do not preclude reception of an acceptable quality signal.

(d) No metal carport, metal garage, metal building or metal accessory structure of any kind shall be erected on any Unit or attached to any residence building located on the Unit. No above ground pools may be constructed, placed or permitted to remain on any Unit.

4. Leasing of Units. "Leasing," for purposes of this paragraph, is defined as regular, exclusive occupancy of a Unit by any person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. All leases shall be in writing. Leases shall have a minimum initial term of not less than six months. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board or its designee by the Unit Owner within 10 days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, By-Laws, and the Use Restrictions and Rules.

5. Land Use and Building Type. All Units depicted on a Map shall be known and described as residential lots. No structure shall be erected, altered, placed or permitted to remain on any Unit other than one detached single family dwelling, not be exceed two and one-half (2½) stories in height as viewed from the front elevation of the house, and a private garage for not more than three (3) cars and other outbuildings incidental to residential use of the Unit. This section shall not prevent the use of model homes and construction trailers during the construction of residences within the Development.

6. Building Setbacks. No building shall be erected on any Unit nearer to any street line than the building setback lines shown on a Map, and with respect to a corner Unit no residence or other building shall be located nearer to the side street line than the building setback lines shown on the Map. With respect to a corner Units the front lot line shall be deemed the street line having the shorter frontage, and any residence erected on such corner lot shall face the front lot line, unless Declarant, at its

discretion, approves the facing of the residence towards the intersection of the two streets. No building, garage, carport, or other accessory building and structure incidental to the residential use of the Units shall be located nearer to a side line than permitted by Mecklenburg zoning ordinances as such ordinances change from time-to-time. For purposes of determining compliance or noncompliance with the foregoing building line requirements, porches, terraces, eaves, wing-walls, and steps extended beyond the outside wall of a structure shall not be considered as part of the structure; provided, however, that this provision shall not be construed to authorize or permit encroachment of any structure upon any easement shown on a Map or reserved herein or upon any other Unit.

7. Fences. No fence or wall shall be erected on any Unit closer to any street right-of-way than the building setback lines shown upon the recorded map and no fence may be higher than six (6) feet tall. Chain link is not permitted, except that 2 x 4 mesh may be used with split rail fencing to contain children and animals within the yard. Perimeter fencing shall not have more than 70% of its surface closed as viewed from a point on a line of sight perpendicular to the line formed by the line of the fence. A wall constructed of brick or stone masonry and used in lieu of a fence is exempt from the openness test. Fencing of a more solid or privacy nature may be used around patios, wood decks, or pools as privacy screens, said privacy fencing may be located at a distance no greater than fifteen (15) feet from the edge or circumference of the patio, deck or pool area being screened. The fencing restrictions in this paragraph and paragraph 2 hereof shall not be applicable to Units owned by Declarant.

8. Temporary Structures and Parking. No residence of a temporary nature shall be erected or allowed to remain on any Unit, and no trailer, basement, shack, tent, garage, barn or any other building of a similar nature shall be used as a residence on any Unit, either temporarily or permanently. No boat, trailer, recreational vehicle, camper, camper truck or commercial vehicle shall be parked, stored or left in any driveway or on any other part of a Unit unless the same are fully enclosed within the garage located on the Unit. This restriction shall not apply to sales trailers, construction trailers, or other vehicles, which may be used by Declarant and its agents and contractors in the conduct of their business. No boat, truck, trailer, camper, recreational vehicle or tent shall be used as living or dwelling area within the Properties. No repairs to or maintenance of any automobile or other vehicle shall be made or performed on any driveway within the Properties, except in the case of emergency.

9. Signs. Unless approved by the NCC or MC, whichever is applicable, no sign of any kind shall be displayed to the public view on any Unit except one sign of not more than six (6) square feet advertising the property for sale or rent or signs used by a Declarant, or its designated assigns, to advertise the property during the construction and sales period.

10. Unintentional Violations. In the event of the unintentional violation of any of the building line restrictions set forth herein, Declarant, or its designated assigns, reserves the right, by and with the mutual written consent of the Owner or Owners for the time being of such Unit, to change the building line restriction set forth in the instrument provided, however, that such change shall not be in violation of any provisions of the zoning provisions of the City of Charlotte or County of Mecklenburg.