RULES & REGULATIONS GOVERNING THE USE OF COMMUNITY PROPERTY AND

PROCEDURES FOR ENFORCEMENT OF THE RESTRICTIVE COVENANTS, BYLAWS, AND RULES AND REGULATIONS

REFERENCES:

- (A) North Carolina Planned Community Act Chapter 47F Session Laws (1998-199,s.1.)
- (B) Declaration of Restrictive Covenants Deercroft Subdivision 01/01/2005; amendments recorded 04/13/2021
- (C) Bylaws Deercroft Subdivision Homeowners and Recreation Assn 10/20/1982; revised 06/13/2007

DISCUSSION:

The Declaration of Restrictive Covenants (Reference B) at Article Six, Section 6.3, empowers the Association to adopt, alter, amend, rescind, and enforce rules and regulations governing use and operation of the Common Properties. The Bylaws (Reference C) at Article Seven, Section 1(a) directs the Board of Directors to adopt and publish the rules and regulations of the Association. North Carolina Statute (Reference A) at 47F-3-102.11 empowers the Association to impose fines and suspend privileges for violations of the Declaration (restrictive covenants), Bylaws and Rules and Regulations of the Association.

FOREWARD: The Deercroft Declaration of Restrictive Covenants (reference B) contains detailed guidance that is applicable to all property owners. This document is intended to amplify, *not duplicate*, the provisions of the Covenants. According to North Carolina Statute, (Reference A), conflicts between the provisions of this document and those of the Restrictive Covenants, are resolved in favor of the Covenants.

CHAPTER 1 DEFINITIONS

All terms defined in the Declaration of Restrictive Covenants and Amendments of the Association recorded in the office of the Register of Deeds of Scotland County, North Carolina, shall have the same meanings when used herein

- A. **ROADWAYS** All paved surfaces constructed for the use of motor vehicles that exist on the common properties of the Association.
- B. **PUBLIC VIEW** That portion of a private lot that is subject to an essentially unobstructed view by pedestrians (walking or in a conveyance) traversing any area of the common property (or the golf course) where such pedestrian activity is permitted.
- C. **COMMON/COMMUNITY PROPERTIES** For the purpose of this document the Common/Community Properties are all real estate and improvements thereon that are owned by the Association. This includes all roadways, road right of ways, clubhouse, pool,

tennis courts, post offices, gated entrance areas, Lake Johnston, dam, spillway, beach, boat ramp, picnic area and holding ponds.

CHAPTER 2 RULES, REGULATIONS AND GUIDANCE CONCERNING THE COMMON/COMMUNITY PROPERTIES

SECURITY

- A. **Reporting Security Concerns** Deercroft currently maintains no security personnel. Accordingly, all residents are expected to be alert to any suspicious or unusual activity occurring anywhere within the community. Such activity that is not considered to encompass criminal conduct should be reported to any member of the Board of Directors. Security concerns, which are believed to constitute a criminal violation, should be immediately communicated to 911.
- B. Entry into The Development During normal business hours, as specified by the Board, entrance gates of the community will remain open. After hours access requires the use of an appropriate device to activate the opening mechanism. Property Owners desiring to purchase a device must contact the Deercroft Homeowners Association office at telephone 910-369-0604. After hours visitors must utilize the telephone at the entry gates to contact the Deercroft resident being visited. That resident may then activate the gate by pressing "9" on their telephone. Gate failure should be reported to the Gates Committee Chair, the HOA office, or a member of the Board.

USE OF ROADS

- A. Vehicles Authorized to use Roadways/Prohibited Vehicles Vehicles authorized to use roadways within the community are restricted to those that are currently being legally operated on North Carolina state highways. Vehicle operators must be licensed in accordance with the regulations of a state authority. Operators and vehicles using Deercroft roadways are subject to all North Carolina statutes that are enforceable on state roadways. Violations that are not pursued by appropriate law enforcement personnel are subject to sanctions contained herein. Exceptions to the "right to use" portion of this policy will include the following: (a) maintenance vehicles operated by the Golf Course or by the Association; (b) construction vehicles performing approved work within the community; and (c) electrically powered golf carts that are owned by a resident or the Deercroft Golf Course. Any resident allowing an unlicensed child to operate a golf cart on the roadways of Deercroft assumes total liability for the safety of the unlicensed operator, any passenger therein, and any damage to property or persons resulting from said operation. Operation on Deercroft roadways of any motorized vehicle that is not specifically included in the above narrative is prohibited and will be subject to sanctions contained herein.
- B. **Speed Limits** The maximum speed limit of any motorized vehicle operated on the roadways of the community is 25 MPH. Pedestrians always have the right of way and all vehicle operators must be especially alert to their presence on the roadways, due to the

- absence of sidewalks within the community. Pedestrians should move to the shoulder of the roadway to allow vehicles to pass. Vehicle operators shall reduce their speed during periods of inclement weather.
- C. **Parking** Overnight or other extended parking along the roadway or easement on either side of the roadway, including cul-de-sacs, is expressly prohibited.
- D. **Accidents** Accidents involving motorized vehicles will be reported to, and investigated by, the Scotland County Sheriff's Department.
- E. **Liability** All persons using the roadways within Deercroft do so at their own risk and are subject to North Carolina statutes and published rules and regulations. The Association will not be responsible for delays, breakdowns, or damage to personal property; or, for personal injury or death occurring on said roadways.

GOVERNANCE OF COMMUNITY INTERESTS

A. General Activities

- 1. The prohibition against obnoxious or offensive activity and excessive noise is contained in Section 5.13 of the Restrictive Covenants. Written complaints from two or more residents are cause for Board consideration.
- 2. There shall be no obstruction of the Common Areas, nor shall anything be stored on the Common Areas, including road right of way, without the written consent of the Board of Directors.
- 3. Littering of any area within the community is prohibited.
- 4. Flowers, trees, shrubbery, or landscaping material on the Common Areas are not to be cut or removed except with the consent of the Chairman of the Beautification Committee.
- 5. The killing or trapping of wild or domestic animals and birds, other than rodents or poisonous snakes is prohibited. This prohibition may be waived by the Board on a case-by-case basis, but only when such waiver is in accordance with North Carolina law.
- 6. The discharge of any firearm or projectile firing mechanism (bows, pellet/bb guns, paint ball guns, etc.) within the common areas is prohibited. This restriction does not apply to law enforcement personnel in pursuit of their sworn duties.
- 7. Fireworks are not permitted within the common areas except as provided for by law and with the prior approval of the Board of Directors.
- 8. Chapter 2 of this document provides detailed information regarding the types of vehicles authorized to use roadways within the community. Additionally, gasoline powered vehicles may not be operated on any non-roadway portion of the common areas. This prohibition includes but is not limited to all-terrain vehicles, go carts, dirt bikes, motorized scooters, motorized bicycles, and motorcycles. This prohibition does not apply to landscape maintenance machinery.

B. RV and Equipment Storage Facility

There are specific rules and procedures pertaining to the use of this facility. Please reference the "RV and Equipment Storage Facility Committee" under "HOA Documents and Forms" on the Deercroft web site.

RECREATION FACILITIES

Use of recreational facilities of the Association is restricted to members of the Association, their immediate family members, guests (when accompanied by an owner) and tenants. All persons using the recreational facilities of the Association do so at their own risk and are subject to State and County laws and Deercroft rules and regulations. The sponsoring owner is responsible for the proper conduct of his/her guest(s) or tenants and that owner will be held wholly liable for any damage to community property that is caused by their guest(s) or tenants.

A. Lake Johnston

- 1. Other than electric boat motors, all other motors or engines are not allowed to be used on Lake Johnston.
 - a. All watercraft are to observe a 10 mile per hour (MPH) speed limit.
 - b. Lake Johnston is designated a No Wake Zone.
- 2. All watercraft will be launched from the community boat ramp and every boat launched will use the key controlled gate. Carrying a boat around the gate is prohibited. Violators will be assumed to be trespassers and local authorities will be notified. Lakeside property owners may launch personally owned boats from their shoreline.
- 3. Access to the boat launch and beach area is key controlled. Property owners may purchase a key by applying at the HOA Office.
- 4. Parking of vehicles at the beach is restricted to the graveled area of the beach. Due to the limited availability of parking at the beach and the prohibition against extended parking in the adjacent cul-de-sac, overflow parking space is restricted to the community parking lot adjacent to the clubhouse.
- 5. Fishing may be pursued from a boat or from the spillway area adjacent to the dam. Fishing from the beach or dam is strongly discouraged due to safety concerns. Lakeside property owners may fish from their shoreline.
- North Carolina Fish and Wildlife Division reserves enforcement rights on Lake Johnston.
 Accordingly, methods of fishing, fish size and fish quantities must be in accordance with
 State regulation. Fish must be taken only with hook, line, and pole. Nets or seines are
 not allowed.
- 7. Property owners wishing to use the beach for a group activity involving guests and/or non-resident family members numbering more than ten individuals must make prior arrangements with the Board of Directors.
- 8. Those using the picnic/boat launch areas are responsible for proper disposal of all trash and debris in the trash receptacles provided and leaving the area as they found it.
- 9. The basin of Lake Johnston is owned entirely by the Association; the basin extends to an elevation of 313.5 feet above mean sea level. With limited exceptions noted in deeds of record, the shoreline of Lake Johnston is included in the lake basin and is therefore the property of the Association. Accordingly, any modification of the shoreline or adjacent submerged areas of Lake Johnston may only be undertaken with the expressed written approval of the Architectural Control Committee. This approval is sought in accordance with Article Four of reference B.

- 10. The Association reserves the right to adjust lake levels for the purpose of maintenance. Additionally, the Association may, on occasion, restrict the removal of water for irrigation purposes from Lake Johnston.
- 11. The Association reserves the exclusive right to control vegetation within Lake Johnston and holding ponds that are the property of the Association.

B. Swimming Pool

- 1. OWNERS Access to the pool is limited to owners, members of their immediate family, and guests, when accompanied by an owner.
- 2. TENANTS Access to the pool is limited to tenants, members of their immediate family, and guests, when accompanied by a tenant.
- 3. Identification may be requested prior to admittance to the pool area.
- 4. Children under the age of 14 must be accompanied by an adult.
- 5. The number of guests shall be limited to two (2) per member unless prior arrangements have been made with pool management.
- 6. Glass containers are prohibited within the fenced area of the pool.
- 7. All posted pool rules must always be followed by all users.
- 8. All swimming at the pool or in any lake or pond owned by the Association will be at the swimmer's risk. Lifeguards are not currently employed by the Association.
- 9. Gate must always be completely shut. This is a county law.
- 10. No running in pool area, no food/drink allowed in the pool.
- 11. Members and tenants are responsible for their children and guests in the pool and around the adjacent area.
- 12. Pool subject to close without notice.
- 13. Homeowners will be responsible for damages to the pool area, including fences, gates, bathrooms, parking lot, and landscaping that is caused by the owner and the owner's family members and guests and/or by tenants and the tenant's family members and guests.
- 14. Parties: Call the office to schedule a party. Although scheduled, the pool is not for the exclusive use of the party. Other members may use the pool during a scheduled party. The only exception is an official HOA function.

C. Tennis Courts

1. Courts are available on a first come, first served basis. If both courts are occupied and others are waiting to play, courts should be yielded by a mutually agreed upon rotation schedule.

D. Playground

- Minor children using the playground must be accompanied by a responsible individual.
- 2. No glass containers are allowed in the playground area.
- 3. Any unsafe condition observed in the playground should be reported immediately to the Playground Committee Chair, the office, or a member of the Board.

E. Clubhouse

1. Access to and use of the clubhouse is controlled by the HOA office. Members wishing to reserve the clubhouse for approved functions must initiate the request with the HOA office, which will provide specific guidelines, reservation services, and fee schedules.

CHAPTER 3 COMPLIANCE WITH THE RESTRICTIVE COVENANTS

DISCUSSION: Enforcement of the provisions of the Restrictive Covenants may be undertaken by any member of the Association. The Board of Directors, as the representative body of the Association, will take those actions provided for herein, and in References A and B, that are intended to bring owners into compliance with the provisions of the Restrictive Covenants. This Chapter is intended to clarify and/or emphasize certain provisions of the Restrictive Covenants. It is not a restatement of the detailed provisions of the Restrictive Covenants, which will be enforced utilizing the procedures set forth herein.

A. General Activities

- 1. The requirement to place location identification markers at all sites approved for underground fuel storage tanks is included in section 5.7 of reference B. The requirement is restated herein to ensure that owners recognize the extreme hazard posed to firefighters unaware of the presence of such storage tanks in a fire situation. Approved markers are available at no cost through the Board.
- 2. Owners of unimproved lots that are located adjacent (or in proximity) to dwellings must be attentive to the potential fire hazard that is created by the presence of accumulated deadfall, such as trees and limbs.
- 3. Over-night parking of vehicles on any portion of an unimproved lot is not permitted. The over-night parking prohibition does not apply to the parking of construction vehicles that are actively involved in work approved by the Architectural Control Committee.
- 4. No part of any lot or dwelling shall be used for purposes other than housing, with the exception that a fractional portion of a dwelling unit may be the owner's office or studio provided that the activity of the studio or office: (a) does not engender the visitation to the office/studio of clients, customers, or, sales or trade representatives; (b) does not cause an increase in vehicular traffic within the community; and, (c) does not in any manner interfere with the quiet enjoyment or comfort of other owners.
- 5. No business or sales activities of any kind may be pursued within the "public view" anywhere within the community, except for the "routine business activity" stipulation previously granted to the Deercroft Golf Course; and those "realtor" activities associated with the transfer of lots and improved lots located within the community.
- 6. Vehicles may be parked only on those portions of an improved lot identified in Section 5.23 of reference B. That is, vehicles may be parked only on those portions of an improved lot designated as a driveway, as approved by the ACC. Vehicles should not be parked on grassy areas, natural areas, or sidewalks.
- 7. The Declaration of Restrictive Covenants in Articles Five, Eight and Nine place specific requirements on each member of the Association which include: 'prevent any unclean unsightly or unkempt conditions to exist on his/her lot which may tend to decrease the

beauty of the Properties specifically or as a whole; No garbage, trash, construction debris or other unsightly or offensive materials shall be placed or allowed to remain upon any lot, except as is temporary and incidental to the bona fide improvement of any of the properties; all garbage receptacles, tools and equipment shall be placed in a screened area in accordance with reasonable standards to shield same from general visibility from roads and neighbors; and 'the implementation of proper maintenance of exteriors of dwelling units, multi-family dwellings and related improvements on improved lots'. Accordingly, the Board of Directors interprets these Articles as the obligation to enforce the following specific restrictions as they relate to individual lot owners:

- All tools, items of equipment, including recreational and lawn equipment, toys, and building materials must be stored out of the public view when not in use.
 This prohibition does not apply to building materials that are currently being utilized in a project under the cognizance of the Architectural Control Committee.
- b. Garbage receptacles must always be stored out of the public view, except for the 24-hour period surrounding the scheduled pickup day.
- c. The appearance of that portion of individual improved lots within the public view must be maintained in a manner that conforms to community standards. At a minimum, this includes: grass mowed, weeds controlled, shrubs trimmed and tree litter, trash and debris promptly removed.
- d. The exterior of all dwellings and associated structures that are within the public view on all lots will be maintained by the owner in a manner that is consistent with the overall standards of the community. "Exterior" includes roof, gutters, screens, siding (to include paint or color fade), shutters, foundation, porch and any other appendage of the dwelling or structure.
- Yard Sales Following the long practice of previous Deercroft HOA Boards, yard sales will not be permitted in the Deercroft Subdivision.
 Estate Sales – Requests to hold estate sales will be considered by the Deercroft HOA Board on a case-by-case basis.
- 9. The Deercroft Covenants, Section 5.14 states "At no time shall any household pets be allowed to run free not attended by the owner or owner's representative when off owner's lot." This Covenant is further defined to stipulate that a physical leash must be utilized to ensure that pets are not running free and are under control of the owner or owner's representative. Leash means a device of leather, nylon or similar material which may be affixed to a pet's collar or harness. It shall be of sufficient strength and design to remain securely affixed to the collar or harness and restrain the pet wearing the same. The length may be a maximum of fifteen (15) feet.

CHAPTER 4

(as modified to incorporate By-Laws of 2007)
ADJUDICATION OF MATTERS INVOLVING NON-COMPLIANCE WITH PROVISIONS OF RESTRICTIVE COVENANTS, BYLAWS, AND RULES AND REGULATIONS

A. Procedures

- In addition to such rights as are granted in the Articles of Incorporation, the Declaration
 or the Bylaws, the Board of Directors is additionally empowered by the North Carolina
 Planned Community Act, as amended, to impose sanctions for violations (failure to
 comply) by an owner, a member of his family, or any occupant, tenant, employee, guest
 or invitee of the Owner, of the Declaration, these Bylaws, and rules and regulations
 adopted by the Board of Directors.
- 2. The investigation and adjudication of "failure to comply" issues involving the Declaration, Bylaws and Rules and Regulations shall rest with an Adjudicatory Panel (AP). The AP will consist of not less than three (3) nor more than five (5) members of the Association who hold no elected office within the Association. The Board will appoint AP members for a five-year term. At inception, AP members shall be appointed to terms of one through five years. Thereafter, each appointment will be for a five-year term. AP members may serve not more than two consecutive terms. Vacancies on the AP shall be promptly filled by Board appointment. The term of appointment into a vacant position is limited to the balance of the term of the initial appointment. A member of the AP may be removed from office by majority vote of the Board of Directors seated in executive session convened for the specific purpose of a removal consideration. Decisions of the AP may be modified or set aside by majority vote of the Board of Directors convened in executive session for the expressed purpose of reviewing AP decisions.
- 3. The AP may initiate an inquiry only upon receipt of a signed letter from an association member reporting a "failure to comply" issue regarding the Declaration, Bylaws or Rules and Regulations. Due to its oversight authority, the Board of Directors may not initiate "failure to comply" issues. Elected committees, or committees appointed by the Board, may initiate a "failure to comply" issue by forwarding a letter to the AP signed by the committee chairperson. Individual members of the groups have access to the AP in the same manner as all members of the Association. The AP shall not adjudicate any issue under the purview of the Architectural Control Committee unless that committee requests AP assistance; or, the AP is so directed by majority vote of the Board of Directors.
- 4. Any member of the Association may register a concern regarding a "failure to comply" issue involving the Declaration, Bylaws or Rules and Regulations by forwarding a signed letter to the AP. Letter must:
 - a. state the nature of the alleged "failure to comply" issue, and specify which covenant, bylaw or rule is being infringed;
 - b. be reasonably detailed as to the location, date, time and circumstance of the alleged "failure to comply" issue;
 - c. state what, if any, steps have been taken to abate the "issue" and whether the "issue" continues;
 - d. be signed and dated; neither anonymous nor verbal complaints will be considered.
- 5. The complainant's participation in the adjudication of a matter may be required in instances wherein the violation is neither continuing nor in the public view. In those

- instances when the violation remains in the public view, the identity of the complainant shall not be disclosed outside of the AP, unless ordered by judicial authority. AP members who initiate, or who are the subject of, a "failure to comply" issue must excuse themselves from deliberation and adjudication of the issue.
- 6. The determination of an owner's compliance with the provisions of the restrictive covenants, bylaws and/or rules and regulations, is based upon a majority vote of the AP.
- 7. The AP will conduct those inquiries necessary to determine if there is substance to the concern. At that point the AP will take one or more of the following courses of action:
 - a. Take no further action. In this instance, the AP may elect to inform the complainant and the Executive Board of the AP's decision if such notification is warranted. Additionally, the AP may notify the property owner of the alleged "failure to comply" issue if such notification serves some constructive purpose;
 - Informally address the matter with the owner, in person, or by telephone or mail.
 Such actions may constitute a "first notification" of a violation if the matter remains unresolved;
 - c. Initiate a formal inquiry into the alleged violation.
- 8. Upon initiation of a formal inquiry, the AP will forward written notification of the inquiry to the owner alleged to be in violation. This notification will inform the owner of the details of the violation and will request the owner provide information to be considered by the AP in the decision-making process.
- 9. To ensure owner privacy, adjudication will always take place in closed session. Prior to final adjudication, the AP will invite the owner to appear before a closed session of the AP, unless the matter being adjudicated has previously been the subject of a formal inquiry and adjudication involving the same property owner. When the owner is invited to appear, the AP will make reasonable accommodation to allow the owner to be present. Failure of the owner to appear at the session will not preclude a final decision by the AP.
- 10. Attendance at meetings of the AP is restricted to: panel members; the owner alleged to be in violation; those individuals requested by either the owner or the AP to provide information to be considered, and legal counsel.
- 11. Legal representation for either party is subject to advance notification to the other party. Failure to provide advance notice of legal representation by either party will be cause to bar legal representation at the panel session.
- 12. Upon receipt of new information, the AP may modify a previously awarded sanction. Additionally, the AP may increase the amount and/or duration of a previously awarded sanction if a violation is not remedied.
- 13. Letter notification of AP decisions will be provided to the affected owner. AP decisions that include fines will be provided to the Association Treasurer.
- 14. Decisions of the AP may be set aside or modified by a majority vote of the Board of Directors when seated in executive session for the expressed purpose of reviewing AP decisions. Contents of the pertinent AP file will be provided to the Board of Directors when that body is seated to consider the appeal of an AP decision.
- 15. The provisions of Reference A. will bind the imposition of sanctions against property owners.

16. It will be the practice of the AP to limit monetary sanctions against owners to an amount commensurate with the violation and the minimum deemed appropriate to cause an owner to comply with the restrictive covenants, bylaws or rules and regulations of the Association. The uniform application of sanctions imposed by the AP for similar violations is essential and shall be the subject of periodic review by the Board of Directors.

B. Adjudicatory Panel

- 1. AP members may serve not more than two consecutive terms.
- 2. AP members shall insure that contacts with Association members and their families are carried out in a professional, courteous, and considerate manner.
- 3. AP procedures will ensure that each AP member receive advance notification of each meeting of the AP. A quorum of the AP exists when three members are present. A simple majority of the quorum is required for AP decisions.
- 4. AP members who file or who are the subject of a "failure to comply" issue must excuse themselves from deliberation and adjudication of the issue.

CHAPTER 5 MODIFICATIONS

Elements of these Rules and Regulations that are not included in the Declaration of Restrictive Covenants or the By-laws, may be modified by a majority vote of the Board of Directors voting at any session wherein modification has been included as an announced agenda item.