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FOR REGISTRATION REGISTER OF DEEDS
TAMMY THEUSCH BEASLEY
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Prepared/return to Kenneth M Kirkman 4431 Cobblestone Aly, New Bern, NC 28562
STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

Returned to:
Joseph C Hearne, II

DECLARATION OF PROTECTIVE COVENANTS
FOR HELMSDALE AT LANDFALL
AND
ANNEXATION TO THE MASTER CROSS ACCESS EASEMENT
AND MAINTENANCE AGREEMENT

THIS DECLARATION OF PROTECTIVE COVENANTS FOR HELMSDALE AT LANDFALL is dated for reference only this 27th day of January, 2014, and is made by HELMSDALE INVESTORS LLC, a North Carolina Limited Liability Company ("Declarant"), with the joinder, for limited purposes specified in paragraph 19.11, of Landfall Associates LLC.

OVERVIEW

Declarant has purchased sufficient real property located in the City of Wilmington, New Hanover County, North Carolina, to subdivide thereon approximately 47 single-family residential home sites. Declarant has caused a master plan for the development of this real estate to be prepared, and plans and intends to develop the real estate generally in accordance with this master plan, as it may be modified from time to time, into a community named Helmsdale at Landfall ("Helmsdale"). As planned, Helmsdale will ultimately include approximately 47 single-family home sites, plus open space and other Common Elements. The development will occur in at least two phases.

Phase 1 of Helmsdale ("Phase 1") consists of 15 single-family home sites. The City of Wilmington has approved the final subdivision plan for Phase 1, and its infrastructure has been installed. A plat of Phase 1 home sites is recorded in plat book

53, page 48, New Hanover County Registry. Helmsdale is currently adjacent to the community of Landfall. The developers of Landfall reserved the right to annex additional adjacent properties into Landfall, by subjecting such properties to the provisions of a Master Cross Easement and Maintenance Agreement dated October 22, 1990, as it may be or has been amended from time to time, which Master Easement is recorded in Book 1515, page 1583, New Hanover County Registry ("Master Easement"). The developers of Landfall, Landfall Associates, LLC, have by mesne conveyances assigned this right of annexation and its associated declarant rights to Declarant herein, and join in the execution of this Declaration for the sole purpose of acknowledging this assignment.

In order to maintain the desirability and value of all of the properties within Helmsdale at Landfall, and to administer its Common Elements, Declarant has chartered a North Carolina non-profit corporation, named Helmsdale at Landfall Association, Inc. Helmsdale at Landfall Association, Inc. and Helmsdale at Landfall LLC shall be responsible for carrying out their respective duties and obligations as set out herein for the enhancement of Helmsdale, as more fully described in this Declaration. Helmsdale at Landfall Association, Inc. is and shall be a "Future Association" as defined in the Master Easement.

It is the desire and intention of Declarant, for its benefit and for the benefit of the owner of each Lot within Helmsdale, and with the objective of preserving the value of each such Lot, to restrict the utilization of and improvements within Helmsdale in accordance with the guidelines established within this Declaration. Therefore, Declarant hereby reserves the right to subject all properties within Helmsdale at Landfall, in whole or in part, to the terms, provisions and conditions of this Declaration.

DEFINITIONS

As used within this Declaration, the following terms shall have the definitions herein set out:

1. "Act" shall mean the North Carolina Planned Community Act, Chapter 47F of the North Carolina General Statutes, as amended from time to time.

2. "Allocated Interest" means the Common Expense Liability and votes in the Association allocated to each Lot.

3. "Annexed Property" means that real estate described in paragraph 1 hereinafter which is made subject to this Declaration, and such other real estate as may be made subject to this Declaration by amendment hereto in the future.

4. "Association" means Helmsdale at Landfall Association, Inc., a North Carolina non-profit corporation.

5. "Committee" shall mean the Architectural Review Board established by the Council.

6. "Common Elements" means any real estate made subject to this Declaration owned or leased by the Association, or any other real estate designated as Common Elements by Declarant, and all improvements thereon.

7. "Common Expenses" means expenditures by or financial liabilities of the Association, together with any allocations to reserves.

8. "Common Expense Liability" means the liability for Common Expenses allocated to each Lot as described in this Declaration, the Act or otherwise by law.

9. "Council" means The Landfall Council of Associations, Inc., a North Carolina non-profit corporation, its successors and assigns.

10. "Declarant" means Helmsdale Investors LLC or its successors and assigns as to any Special Declarant Rights.

11. "Declaration" means this Declaration of Protective Covenants for Helmsdale at Landfall as this instrument may be amended from time to time.

12. "Delegation" refers to the Delegation of Powers and Authority dated as of March 16, 1992, which is recorded in Book 1594, page 1476, New Hanover County Registry.

13. "Executive Board" means the Board of Directors of the Association.

14. "Limited Common Element" means a portion of the Common Elements allocated by the Declaration or by operation of law for the exclusive use of one or more but fewer than all of the Lots.

15. "Lot" means a physical portion of Helmsdale at Landfall designated for separate ownership or occupancy by a Lot Owner, shown as a numbered lot on a plat of real estate made subject to the Declaration, recorded in the New Hanover County Registry.

16. "Lot Owner" or "Owner" means Declarant or other Person owning a Lot, but does not include a Person having an interest in a Lot solely as security or an obligation.

17. "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

18. "Property" means all of that property which has been preliminarily platted for the entire Helmsdale development.

19. "Purchaser" means any Person, other than a Declarant, or a Person in the business of selling real estate for the purchaser's own account, who by means of a voluntary transfer acquires a legal or equitable interest in a Lot, other than

a. a leasehold interest (including renewal options) of less than twenty (20) years, or

b. as security for an obligation.

20. "Shared Common Expense" means expenditures by or financial liabilities of the Council of Associations, together with any allocations to reserves, as the same are defined in the Master Easement, and which expenses are allocated, in part, to the members of the Association.

21. "Shared Common Expense Liability" means the liability for Shared Common Expenses allocated to each Lot as described in the Master Easement and in this Declaration, the Act or otherwise by law.

22. "Special Declarant Rights" means all rights reserved to Declarant by this Declaration, and shall specifically include all Special Declarant Rights described in North Carolina General Statutes Section 47F-A-103(28).

23. "Structure" shall mean any permanent or temporary improvement to real estate other than trees, shrubbery and landscaping, the placement of which upon a Lot may affect the appearance of the Lot or any adjacent Lot or property including, by way of illustration and not limitation, any building, garage, porch, deck, shed, greenhouse, bath house, patio, swimming pool, antenna, fence, sign, curbing, paving, wall, roadway, walkway, pole or light. "Structure" shall also mean (i) any excavation, fill, ditch, diversion dam or other thing or device which affects or alters the natural flow of surface waters from, upon or across real estate, or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across real estate, and (ii) any change in the grade of any Lot (or any part thereof) of more than six (6) inches from that existing at the time of purchase of said Lot by a Lot Owner.

Furthermore, all terms defined in the Act and not specifically set out herein shall have the meaning set forth in the Act.

COVENANTS, EASEMENTS AND RESTRICTIONS

ARTICLE ONE

Subject Property

1. Encumbered Property. The real estate described above as Phase 1 is hereby made subject to the terms, provisions and conditions of this Declaration, effective as of the date of recordation of this Declaration. None of the rest of the Property is hereby made subject to this Declaration, and Declarant shall have no obligation to make any additional portions of the Property subject to this Declaration, but as more fully set out in Article Two hereinafter, reserves the right to do so.

Declarant hereby declares that the Phase 1 property shall be held, sold and conveyed subject to this Declaration. The easements, restrictions, covenants and conditions contained herein shall run with the land and be binding on all parties now or hereafter having any right, title or interest in the Phase 1 property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE TWO

Future Annexation

2. Additional Annexation. Declarant reserves the right to subject additional real estate to the terms, provisions and conditions of this Declaration, without necessity of joinder of any party. Such additional real estate may be, but need not be, within the Property. Real estate may be annexed and made subject hereto by one annexation, or by any number of sequential annexations. Additional real estate shall be deemed annexed and made subject hereto when Declarant executes and records in the New Hanover County Registry a specific amendment to this Declaration, referring therein to this Declaration, and describing in such amendment specific real estate that is being annexed by said amendment. No notice of such amendment, or the recordation thereof, shall be required to be given to any third party by Declarant, other than notice to the Council, which shall be required. This absolute right of annexation shall expire upon the expiration of all Special Declarant Rights; thereafter, annexation will require consent of the Executive Board of the Association and the Council.

Nothing contained herein shall prohibit or restrict the conveyance of any real estate, including any portion of the

Property, by Declarant to a third party intending to subdivide, develop, construct improvements upon, or otherwise alter or make improvements to the real estate so transferred, in anticipation of conveying Lots therein to Purchasers. Declarant shall specifically have the right to assign to the party acquiring any such tract the Special Declarant Right to annex the real estate so acquired by amendment to this Declaration.

Specific use and building restrictions as to real estate annexed may be specified in each annexation instrument. Use and building restrictions contained in this Declaration shall be applicable to all real estate made subject to this Declaration unless specifically modified by an annexation amendment.

ARTICLE THREE

Master Association

3. Master Association. For purposes of the Act, the Association shall be deemed a Master Association. All of the Property that becomes Annexed Property shall be bound by the terms, provisions and conditions of this Declaration, as amended from time to time, and, to the extent not altered by said amendment, the terms, provisions and conditions of this Declaration shall be fully applicable to such Annexed Property.

ARTICLE FOUR

Annexation to Master Easement

4. Master Easement. Paragraph 14(A) of the Master Easement provides that Declarant may (a) subject additional property to the terms and provisions of the Master Easement; (b) grant to future Owners of such additional property the easements and licenses created in the Master Easement in and to the Shared Common Elements; and (c) subject such future Owners to assessment for the Shared Common Element Expenses, as defined in the Master Easement. Pursuant to Paragraph 14(A) of the Master Easement, Declarant hereby provides as follows:

1. Declarant hereby grants to all future Owners within Phase 1 and all future Annexed Property, their family members, tenants, guests, and invitees, and to the Association, a perpetual, non-exclusive easement of passage and use, both vehicular and pedestrian, over, across and through any and all portions of the Shared Common Elements and Facilities, as defined in the Master Easement. The rights and easements herein granted are subject to all provisions of the Master Easement and the Delegation, including but not limited to the right of the Council to regulate the use of the Shared Common Elements.

2. Phase 1 property, and all future Annexed Property, and all Owners thereof, as well as the Association, shall be subject to the terms of the Master Easement. The Common Expenses of the Association, as defined in this Declaration, shall include the Shared Common Expenses as defined in the Master Easement, and each Owner shall be a Full Share Owner as defined in the Master Easement. The Shared Common Expense determined pursuant to Paragraph 6 of the Master Easement is and shall be a lienable assessment against each Lot, as well as the personal obligation of each Lot Owner (as to that Owner's share of such Shared Common Expenses). The Shared Common Expenses as defined in the Master Easement shall include, but not be limited to, the assessment determined in accordance with the Master Easement on an annual basis, and any special assessment levied in accordance with the procedures set out in the Master Easement. Payment of Shared Common Expenses is an obligation that is in addition to the obligation of all Lot Owners to pay all Common Expenses of the Association.

3. In consideration of the payment of the Shared Common Expense assessments by Owners of Lots made subject to this Declaration, and provided that all conditions of this Article 4 are met, the Council will assume maintenance of roads, streets, bridges, street lighting, storm drainage easements and storm drainage systems, on the same basis, and subject to the same limitations, as such facilities and improvements are maintained in Landfall Subdivision II, as set out in the Declaration of Covenants for Landfall Subdivision II recorded in Book 1871, pages 205 et seq., New Hanover County Registry, Article IV. It is expressly understood that the private easement located within the Phase 1 property is not a street or road to be maintained by the Council. It is expressly understood that, prior to the Council assuming full maintenance responsibilities for improvements within Helmsdale at Landfall, all such improvements must be constructed in accordance with standards imposed by the authority having permitted such improvements, whether the City of Wilmington, the County of New Hanover or the State of North Carolina, and evidence of such construction shall be provided to the Council. Furthermore, all Lots within Helmsdale at Landfall (phase by phase) must be paying Shared Common Expense assessments prior to any requirement of Council maintenance of such improvements.

4. The Association shall be a "Future Association" within the meaning of the Master Easement, with all voting rights, easement rights and other rights and obligations of a Full Share Member as set out in the Master Easement.

5. Declarant hereby grants to the Council, its successors and assigns, the right to enter onto the Property with vehicles and

equipment as necessary to effectuate maintenance and repairs, to provide security services, and for such other purposes as may reasonably be necessary or useful from time to time.

ARTICLE FIVE

Building and Site Restrictions

5.1 General Building and Site Restrictions. The Council, acting by and through its Architectural Control Board, has established building guidelines for single-family construction within Landfall. Except as specifically modified by this Declaration, said building guidelines, as modified from time to time, shall be applicable to the construction of any Structures within the Property. In the event of any conflict between a restriction contained herein, and the building guidelines of the Council, the provisions of this Declaration shall control.

a. All residential Structures must be constructed in accordance with standards for single-family homes included in the North Carolina Uniform Residential Building Code, notwithstanding whether or not such homes are constructed in whole or in part on site. No home may be moved on to any Lot if such home has previously been occupied and used elsewhere. No mobile home (homes built in accordance with manufactured home standards imposed by the Federal Construction and Safety Standards Act) or other Structure designed for transportation on attached axles and wheels shall be located on any Lot.

b. No satellite receiving dish, radio antenna or other similar device shall be allowed on any Lot unless allowance of such is required by law, in which event the device shall comply with standards adopted by the Council.

c. No boat, boat trailer, other trailer, camper, recreational vehicle, utility vehicle or truck (to the extent that a truck is rated as a one ton truck or larger) shall be allowed to remain on any street right-of-way or on any Lot or on any Common Element (unless specifically designated for such use by the Association or the Council) overnight unless it is enclosed within a garage that has been constructed in accordance with the provisions of this Declaration, or is parked on any area owned by Declarant, the Council or the Association designated specifically for such purpose.

d. No permanent or temporary clotheslines will be utilized on any Lot unless totally within the interior of the primary residence on said Lot.

e. The number, type and location of trash receptacles and trash receptacle enclosures allowed on any Lot shall be established by the Council.

f. All dwelling connections for utilities, including but not limited to water, sewer, electricity, gas, telephone and television shall be run underground from the proper connecting point to the dwelling Structure and any appurtenant garage or building.

g. No Structure shall be owned or utilized as a time share, interval ownership or use share form or function of ownership, but this shall not be interpreted to prohibit ownership by an entity other than an individual, unless such ownership is for the purpose of creating a time share or similar form of ownership.

h. Construction of any residence on exposed stilts or pilings is prohibited.

i. Every dwelling and appurtenant garage, if any, must be accessed from the adjacent street by a paved driveway, or from an easement designed for such access. Driveways shall be constructed of concrete at least four inches thick.

j. No motor vehicle that is junked, partially wrecked, fails to display a current license plate, fails to display a current North Carolina inspection sticker, or is non-operative, shall be placed or allowed to remain on a Lot unless within an enclosed garage.

k. No lawn or garden equipment shall be parked or stored on a Lot overnight except in an enclosed Structure otherwise permitted.

l. Dismantling or repair of motor vehicles or boats is not permitted.

m. No unlicensed motorcycles, dirt bikes, go-carts, or alternate terrain vehicle ("ATV") shall be operated on the streets or Common Elements of Helmsdale at Landfall, including the access easement servicing Phase 1.

n. All fuel storage tanks and LP gas tanks shall be buried, screened or concealed in such a fashion that they are not visible from any adjacent Lot or any street.

o. No air conditioner that protrudes through a wall of a Structure shall be installed on the side of such Structure facing a street. No window air conditioners shall be permitted.

p. No temporary Structure, tent, shack or other building shall be allowed to remain on a Lot for a period greater than 48 hours

(excluding such items used by contractors in the normal course of construction).

q. Any building Structure on any Lot that is destroyed in whole or in part by fire or other casualty must either be rebuilt or removed and the Lot restored to a slightly condition with reasonable promptness. In no event shall any debris or remains of such destruction remain on any Lot longer than two months.

r. No activity, active or passive, that is reasonably considered a nuisance by the Association shall be allowed. This prohibition includes any activity within any Structure, on any Lot or on any street or Common Element. The Association is specifically authorized by this Declaration to adopt rules regarding conduct on Lots and on Common Elements; however, the Association may find any conduct or use of a Lot or Common Element to be a nuisance notwithstanding the fact that such conduct is not specifically prohibited by this Declaration or by an adopted rule. A Lot Owner shall be specifically responsible for the conduct of their guests and invitees. A Lot Owner shall be given written notice of any violation of this nuisance restriction. The procedures as contained in the Act for fines and suspension of privileges shall be applicable to any violation of this rule, and the Association may impose a fine not to exceed the maximum allowed by the Act for each day of any activity that is deemed, after hearing held in accordance with the Act, to have been a nuisance, even though the nuisances are no longer continuing, unless in fact the activity complained of was terminated immediately upon request by the Association to the Lot Owner.

s. Rentals of Living Units shall be allowed, but the minimum term of any rental shall be for 6 months.

t. Clear and unimpeded access shall be maintained around all fire hydrants. No Owner shall plant or install any vegetation or structure that might reasonably interfere with the use of any such hydrant, or any other service box or facility that must be accessed in order to provide access thereto.

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v. No individual water supply system shall be permitted on any Lot except a non-potable lawn irrigation system not connected to any building. A shallow well may be allowed for such water supply, but any pump, tank or pump house associated therewith must be approved in the same manner as any other Structure.

w. No home shall be constructed within Helmsdale that contains less than 2,500 square feet of "heated space", and all homes must have a garage that can reasonably accommodate two full sized cars.

As used herein, the term "heated space" means enclosed space that is climate controlled, but excludes garage space and any decks, stoops, open porches and similar space, and further excludes unfinished interior space, regardless of whether such spaces are climate controlled.

x. No driveway may connect directly to Arboretum Drive.

y. Each Owner shall be responsible for the repair, maintenance and upkeep of his or her Lot, whether improved or unimproved, including but not limited to, the dwelling and any other structures, vegetation, landscaping, fences, driveways and walkways; provided, however, that the external appearance of such repairs, maintenance and upkeep shall be subject to the provisions of these Covenants and to the rules adopted by the Council and its ARB from time to time. In the event that the Council determines that an Owner has not maintained his or her Lot and/or improvements consistent with the standards set out herein or established by the Council and its ARB, such Owner shall be given written notice specifying the alleged deficiencies and shall have thirty (30) days from the date of such notice to remedy the deficiencies. In the event any Owner fails to remedy the deficiencies within such period, the Association shall have the right, but not the obligation, to correct such deficiencies, and the costs thereof (together with a ten percent (10%) overhead charge) shall be the personal obligation of such Lot Owner, and shall be a lien against his or her Lot, pursuant to the provisions of Article Seven of this Declaration.

z. To the extent not specifically contradicted by a provision of this Declaration, the Council, through its ARB, may impose such other restrictions on the use and occupancy of any Lot, or the location and size of any Structure on any Lot, as it believes appropriate, as long as such standard or requirement is not more restrictive than requirements imposed upon home sites subject to the Declaration of Covenants, Conditions and Restrictions for Landfall Subdivision II as set out in book 1871, page 205, New Hanover County Registry. Furthermore, variances may be granted by the ARB from requirements contained in this Declaration upon the same basis that variances are granted for such Landfall Subdivision II Lots.

5.2 Sign Restrictions. No signs shall be allowed on any Lot, including, without limitation, "for sale" or "for rent" signs, unless specifically authorized by operation of law, or by the Council.

ARTICLE SIX

Owners Association.

6.1 Creation. A property owner's association named Helmsdale at Landfall Association, Inc. ("Association") has or will be created by Declarant. Every Lot Owner within the Annexed Property, including Declarant, shall be a member of the Association. Each new Lot Owner automatically becomes a member of the Association upon acquisition of his Lot. Upon disposition of said Lot such Owner's membership automatically terminates and the membership interest is transferred to the new owner of said Lot. Mortgage holders or other equitable holders of rights shall not be members of the Association.

6.2 Voting Rights. All members of the Association, including Declarant, shall have one vote for each Lot owned.

6.3 Executive Board. An Executive Board of Directors shall govern the Association. As long as Declarant has the right to appoint the members of the Executive Board, the Executive Board shall consist of at least three members. Declarant's appointees need not be members of the Association. Upon the expiration of Declarant's right to appoint the members of the Executive Board, the Executive Board will thereafter be selected in accordance with the Bylaws of the Association. All power and authority of the Association is exercisable by the Executive Board.

6.4 Bylaws. The Bylaws of the Association may be amended as set forth therein. In the event any provision of the Bylaws is inconsistent with the provisions of this Declaration, the provisions of this Declaration shall control.

6.5 Duties of the Association. The Association shall have the responsibility for operating, maintaining, and replacing all Common Elements, and enforcing this Declaration, and all rules and regulations adopted hereunder. The Association shall be responsible for adopting rules and regulations governing utilization of such Common Elements (subject to the limitations contained herein). To the extent deeded or otherwise transferred by written instrument to the Association, the Association shall be obligated to accept ownership of all Common Elements (and all tracts designated as "Open Spaces" shall be deemed Common Elements) designated on any recorded subdivision plat of any portion of the Property made subject to the terms and provisions of this Declaration.

6.6 Powers of the Association. The Association, by action of the Executive Board, on behalf of the Association, shall have the following powers as well as all powers contained in Section 47F-3-

102 of the Act and otherwise set-out in this Declaration or the By-laws of the Association:

- a. Adopt and amend rules and regulations;
- b. Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for Common Expenses from Lot Owners;
- c. Hire and discharge managing agents and other employees, agents and independent contractors;
- d. Institute, defend or intervene in litigation or administrative proceedings on matters affecting Helmsdale at Landfall;
- e. Make contracts and incur liabilities on behalf of the Association;
- f. Regulate the use, maintenance, repair, replacement, and modification of Common Elements;
- g. Cause additional improvements to be made as a part of the Common Elements;
- h. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, provided that Common Elements may be conveyed or subjected to a security interest only pursuant to Section 47F-3-112 of the Act;
- i. Grant easements, leases, licenses, and concessions through or over the Common Elements;
- j. Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements other than the Limited Common Elements and for services provided to Lot Owners;
- k. Impose reasonable charges for late payments of assessments and, after notice and an opportunity to be heard, suspend privileges or services provided by the Association (except rights of access to Lots) during any period that Common Expense Liability due and owing to the Association remain unpaid for a period of 30 days or longer;
- l. After notice and an opportunity to be heard, impose reasonable fines or suspend privileges or services provided by the Association (except rights of access to lots) for reasonable periods for violations of the Declaration, By-laws, and rules and regulations of the Association;

m. Impose reasonable charges in connection with the preparation and recordation of documents, including, without limitation, amendments to the Declaration or statements of unpaid assessments;

n. Provide for the indemnification of and maintain liability insurance for its officers, its Executive Board and its directors, its employees, and its agents;

o. Assign its right to future income, including the right to receive Common Expense assessments;

p. Exercise all other powers that may be exercised in North Carolina by legal entities of the same type as the Association; and

q. Exercise any other powers necessary and proper for the governance and operation of the Association, including, without limitation, all powers specified in this Declaration.

6.7 Additional Powers of the Association. In addition to the powers incorporated from the Act above, the Association, by action of the Executive Board on behalf of the Association, shall also have the following powers:

a. Enforce any provision of this Declaration and any amendment or supplement hereto;

b. Undertake any activity that is reasonable and necessary for the maintenance and operation of the Property specifically made subject to this Declaration;

c. Acquire and operate all improvements and facilities located on any Common Element;

d. Adopt and enforce rules and regulations for the use of the Common Elements and all improvements and facilities thereon, to include the conduct of Owners and their families and guests within Helmsdale at Landfall;

e. Maintain and improve landscaping in the Common Elements;

f. Insure facilities and personalty;

g. Secure liability insurance for the Association, its Executive Board and officers;

h. Expend Association funds on any activity that is reasonable and necessary or convenient for the operation of the Association or the enjoyment of Helmsdale at Landfall by Owners

whether or not that activity is specifically set forth in this Declaration;

i. Assess the Lots and the Owners of Lots for the cost and expenses of operating the Association and fulfilling its duties and responsibilities. The amount of such assessment will be determined pursuant to the formulas set forth in this Declaration and any amendment or supplement hereto;

j. Suspend the voting rights of any Lot Owner and suspend the rights of the Owner, his family and guests, from use of any Common Elements and facilities thereon (except as may be necessary to obtain ingress and egress to the Owner's Lot) if such member of the Association fails to timely pay any assessment or fine; and

k. Employ the services of an engineer, attorney, accountant or other professional.

ARTICLE SEVEN

Covenant for Assessments

7.1 Assessments. Each Owner of every Lot, by the acceptance of title thereto, shall be deemed to covenant and agree to pay to the Association assessments as required by this Declaration and the Act. The purpose of the assessments will be to defray the Common Expenses of the Association to include, but not be limited to, the operation, maintenance, repair, replacement and improvement of Common Elements and improvements thereon; for capital improvements to Common Elements; for administration of the Association; for provision of telecommunication services; for enforcement of this Declaration; and to provide funds to pay any Common Expenses incurred by the Association. These assessments are to be fixed, established and collected from time to time as hereinafter provided. The assessments may be classified as follows:

a. A Standard Assessment will be assessed against each Lot subjected to this Declaration. The Standard Assessment will be made on an annual, calendar year basis but will be payable semi-annually, unless otherwise determined by the Executive Board, with payments due on January 1 and July 1 of each year. The Standard Assessment will be equal for all Lots.

b. As set out hereinbefore, Shared Common Expense Assessments (Full Share), as levied by the Council, shall be payable as determined by the Council, and may include any regular or special assessment allowed by the Master Easement or the Delegation.

c. A Special Assessment may be levied by the Executive Board from time to time to provide revenues for budget short-falls that