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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
INDIE ICE TOWNES

**THIS DOCUMENT REGULATES OR
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Submitted electronically by "Ward and Smith, P.A."
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the New Hanover County Register of Deeds.

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EXHIBIT B - Use Restrictions

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
INDIE ICE TOWNES

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR INDIE ICE TOWNES ("Declaration") is made this 21st day of August, 2019, by PBW HOLDINGS, LLC, a North Carolina limited liability company (herein referred to as the "Declarant"); FIRST CAROLINA BANK, a North Carolina banking corporation ("Lender"); and ALL PROSPECTIVE PURCHASERS AND OWNERS of real property within the planned community generally known as "Indie Ice Townes."

WHEREAS, Declarant is the owner in fee simple of the real property described in Exhibit A, which is attached hereto and incorporated herein by reference, and desires to create a planned community pursuant to the provisions of Chapter 47F of the General Statutes of North Carolina and impose upon the Property (as defined in Article 1) mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of each portion of the Property and establish a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the Property; and,

WHEREAS, Declarant hereby declares that all of the Property and any additional property subjected to this Declaration by Supplemental Declaration (as defined in Article 1) shall be held, sold, used and conveyed subject to the Act (as defined in Article 1) and to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the desirability of, and which shall run with, the real property subjected to this Declaration. This Declaration shall be binding on and shall inure to the benefit of all parties having any right, title, or interest in the Property or any part thereof, their heirs, successors, successors-in-title, and assigns.

Article 1. Definitions.

The terms used in this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1 "Act": Chapter 47F of the General Statutes of North Carolina designated as the North Carolina Planned Community Act.

1.2 "Articles of Incorporation": The Articles of Incorporation of Indie Ice Townes Owners Association, as filed with the North Carolina Secretary of State.

1.3 "Assessment": Assessments levied on all Lots to fund the Common Expenses.

1.4 "Association": Indie Ice Townes Owners Association, a North Carolina nonprofit corporation, its successors and assigns.

1.5 "Association Documents": Collectively, the Articles of Incorporation of the Association, the Bylaws of the Association, this Declaration, the rules and regulations, and any resolutions adopted by the Board, all as may be amended, restated and revised from time to time. Any exhibit, schedule or amendment to an Association Document shall be considered a part of that document.

1.6 "Benefited Assessment": Assessments levied under Section 10.5.

1.7 "Board of Directors" or "Board": The body responsible for administration of the Association selected as provided in the Bylaws.

1.8 "Business and Trade": 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 family of the producer of such goods or services and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

1.9 "Bylaws": The Bylaws of the Association as they may be amended from time to time.

1.10 "Common Elements": All real and personal property in which the Association now or hereafter owns, leases or otherwise holds possessory or use rights for the common use and enjoyment of the Owners, including easements held by the Association for those purposes. The term shall include, without limitation, any signage and/or landscape easements as the same may be depicted on recorded maps of the Property, landscape medians, roads, cul de sacs, lakes, ponds, rivers, streams, wetlands and preservation areas. The term shall also include any and all permits and other such intangible property including, but not limited to, Stormwater Management Permits. Notwithstanding this definition, to the extent that the provisions of the Act apply to "Common Elements," including without limitation, the provisions of the N.C. Gen. Stat. § 47F-3-112, those provisions shall only apply to Common Elements as defined in the Act.

1.11 "Common Expenses": Any and all expenditures made by or financial liabilities and obligations of the Association, together with any allocations to reserves.

1.12 "Community-Wide Standard": The standard of conduct, upkeep, or other activity generally prevailing throughout the Property. The standard shall be established initially by Declarant and thereafter shall be determined by the Board of Directors and the Architectural Committee (as defined in Section 11.2(a)). The standard may contain both objective and subjective elements, and may evolve and change as development progresses and as the needs and desires within the Property change.

1.13 "Declarant": PBW Holdings, LLC, a North Carolina limited liability company, or any successor, successor-in-title, or assignee thereof, which has or takes title to any

portion of the Property for the purpose of development and/or resale in the ordinary course of business and who is designated as Declarant in a recorded instrument executed by the immediately preceding Declarant.

1.14 "Declaration": This Declaration, any Supplemental Declaration as may be applicable to separate portions of the Property, any exhibit, schedule or amendment thereto, all as may be amended, restated and revised from time to time.

1.15 "Development Period": The period ending on the earliest of (a) twenty-five (25) years from the date this Declaration is recorded in the Register of Deeds; provided, that if Declarant is delayed in the improvement and development of the Property as a result of a sewer, water or building permit moratorium or other cause or event beyond Declarant's control, then the aforesaid period shall be extended for the length of the delay plus an additional two (2) years upon written notice to the Association of such extension; or (b) the date specified by Declarant in a written notice to the Association that the Development Period is to terminate on that date so stated.

1.16 "Dwelling Unit": Any building or structure or portion of a building or structure situated upon a Lot which is intended for use and occupancy as an attached residence for a single family.

1.17 "Landscaping": Living plants, shrubs, trees, vegetation, ground coverings (including grass and sod) and appurtenant live/growing vegetative materials, straw, mulches, composting materials, pools (other than swimming pools), ornamental ponds, ornamental structures and any other living or non-living material or structure reasonably constituting a part of any or all of the foregoing installed upon a Lot.

1.18 "Limited Common Elements": A portion of the Common Elements allocated by this Declaration or by operation of law for the exclusive use of one (1) or more but fewer than all of the Lots. Limited Common Elements may also be shown on any map of the Project recorded in the Register of Deeds.

1.19 "Lot": A portion of the Property, whether improved or unimproved, other than Common Elements and property dedicated to the public, which may be independently owned and conveyed and which is separately identified on a map of all or any portion of the Property recorded in the Register of Deeds. The term shall refer to the land, if any, which is part of the Lot as well as any improvements thereon including but not limited to the Dwelling Unit.

For all purposes set forth in the Association Documents, a Lot comes into existence on the later of recordation in the Register of Deeds of (i) a map or plat depicting said Lot or (ii) a Supplemental Declaration defining and subjecting the proposed Lot to the same and this Declaration.

1.20 "Member": A Person having membership in the Association consistent with Section 3.2 of this Declaration.

1.21 "Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.

1.22 "Mortgagee": A beneficiary or holder of a Mortgage.

1.23 "Owner": One or more Persons who hold the record title to any Lot, except Persons holding an interest merely as security for the performance of an obligation in which case the equitable owner will be considered the Owner.

1.24 "Permit": Any North Carolina Stormwater Management Permit(s), applicable to the Property, and any amendments, additions or replacements thereof.

1.25 "Person": A natural person, corporation, limited liability company, partnership, trust, or any other legal entity.

1.26 "Project": The Indie Ice Townes development located on the Property.

1.27 "Property": The real property described in Exhibit A, together with such additional property as is subjected to this Declaration in accordance with Article 9.

1.28 "Register of Deeds": The office of the Register of Deeds of New Hanover County, North Carolina.

1.29 "Stormwater Management Facilities": All areas consisting of ditches and swales, retention ponds and other improvements which are constructed pursuant to, and regulated by, the Permit(s).

1.30 "Supplemental Declaration": An amendment or supplement to this Declaration filed pursuant to Article 9 which subjects additional property to this Declaration and identifies the Common Elements within the additional property, if any, and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein.

1.31 "Upkeep": Care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction.

1.32 "Use Restrictions": The rules and use restrictions are more fully defined as set forth in Article 12.

1.33 "Utility Company": A public or private company or entity duly licensed and authorized by the North Carolina Utilities Commission to provide utility services within a specified franchise area and any entity providing utility services on behalf of a body politic, municipality or other governmental body or entity.

Article 2. Property Rights.

2.1 Common Elements: Every Owner shall have a right and nonexclusive easement, in common with all other Owners, of use, access, and enjoyment in and to the Common Elements, subject to:

- (a) The Association Documents and any other applicable covenants;
- (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (c) All applicable provisions of the Act including, but not limited to, the following:
 - (i) The right of the Board to adopt rules, regulations or policies regulating the use and enjoyment of the Common Elements to Owners, their families, lessees and guests, and rules limiting the number of occupants and guests who may use the Common Elements;
 - (ii) The right of the Association to dedicate or transfer all or any part of the Common Elements to governmental entities pursuant to Section 4.3;
 - (iii) The right of the Board to impose reasonable requirements and charge reasonable admission, or other fees for the use of any improvements situated upon the Common Elements;
 - (iv) The right of the Board to permit use of any Common Elements by Persons other than Owners, their families, lessees and guests upon payment of use fees established by the Board;
 - (v) The right of the Board to create, enter agreements with, grant easements to and transfer portions of the Common Elements to tax-exempt organizations under Section 4.8;
 - (vi) The right of the Association to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred by the Association; and
 - (vii) The right of the Association to convey or encumber portions of the Common Elements as provided in the Act.
- (d) The right of the Board to suspend the privilege of an Owner to use the Common Elements.

(e) The right of the Association to rent or lease portions of the Common Elements on a short-term basis to any Owner for the exclusive use of such Owner and such Owner's family and guests.

Article 3. Association Function, Membership and Voting Rights.

3.1 Function of Association. The Association shall be the entity responsible for management, Upkeep, operation and control of the Common Elements. The Association shall be the primary entity responsible for enforcement of the Association Documents. The Association shall perform its functions in accordance with the Association Documents and North Carolina law. The Association shall have all powers reasonably necessary to perform its functions and obligations described in the Association Documents including, but not limited to, all powers set forth in Chapter 55A of the North Carolina General Statutes and the Act.

3.2 Membership. Every Owner shall be a Member of the Association. If a Lot is owned by more than one Person, all co-Owners shall be Members and share the privileges of such membership, subject to reasonable Board regulation, such reasonable fees as may be established under Section 2.1, and the restrictions on voting set forth in Section 3.3 and in the Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner which is a corporation, limited liability company, partnership or other legal entity may be exercised by any officer, director, manager, partner, or trustee, or by any other individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

3.3 Voting. All Owners shall have one (1) equal vote for each Lot in which they hold the interest required for membership under Section 3.2, provided, there shall be only one (1) vote per Lot. Except as otherwise specified in this Declaration or the Bylaws or as required by law, the vote for each Lot shall be exercised by the Owner. In any situation in which there is more than one Owner of a particular Lot, the vote for such Lot shall be exercised as such co-Owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting. Absent such notice to the Association, the Lot vote shall be suspended if more than one Person seeks to exercise it. If the co-Owners are unable to agree on how the vote should be cast, it will be disregarded.

Article 4. Association Rights, Obligations and Services.

4.1 Personal Property and Real Property for Common Use. The Association may acquire, hold, and dispose of tangible and intangible personal property and real property. Declarant may convey to the Association improved or unimproved real estate located within the Property, personal property and leasehold and other property interests. Such property shall be accepted by the Association and thereafter shall be maintained as Common Elements by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed, including but not limited to restrictions governing the use of such property.

4.2 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly by the Association Documents or which may be reasonably

implied from, or reasonably necessary to effectuate, any such right or privilege. Except as otherwise specifically provided in the Association Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

4.3 Dedication of Common Elements. The Association may dedicate or grant easements over portions of the Common Elements to any local, state, or federal governmental entity or any Utility Company.

4.4 Disclaimer of Liability. Notwithstanding anything contained herein or in the Association Documents or the Act, neither the Association nor the Board shall be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner of any Lot or any tenant, guest or invitee of any Owner or for any property of any such Persons. Each Owner of a Lot and each tenant, guest and invitee of any Owner shall assume all risks associated with the use and enjoyment of the Property.

4.5 Provision of Services. The Association may provide services and facilities for the Members of the Association and their guests, lessees and invitees. The Association shall be authorized to enter into contracts or other similar agreements with other entities, including Declarant, to provide such services and facilities. The costs of services and facilities provided by the Association may be funded by the Association as a Common Expense. In addition, the Board shall be authorized to charge additional use and consumption fees for services and facilities. By way of example, some services and facilities which may be provided include landscape maintenance, pest control service, cable television service, security, caretaker, fire protection, utilities, and similar services and facilities. The Board, without the consent of the Members of the Association, shall be permitted to modify or cancel existing services or facilities provided, if any, or to provide additional services and facilities. Nothing contained herein can be relied upon as a representation as to what services and facilities, if any, will be provided by the Association. This paragraph shall be specifically construed to allow the Association to enter into a contract for the overall management of the Association with any individual or corporation. The Association or its managing agent shall also be permitted to provide services to any Owners where it deems it to be in the interest of the Association to do so.

4.6 Change of Use of Common Elements. Upon (a) adoption of a resolution by the Board stating that, in the Board's opinion, a service provided by the Association pursuant to Section 4.5 or the then present use of a designated part of the Common Elements is no longer in the best interest of the Owners or is no longer necessary or appropriate for the purposes intended, and (b) the consent of Declarant during the Development Period, the Board shall have the power and right to terminate such service or change the use of any Common Elements (and, in connection therewith, construct, reconstruct, alter or change the buildings, structures and improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided that any such new use (i) shall be for the benefit of the Owners, and (ii) shall be consistent with any deed restrictions and zoning regulations restricting or limiting the use of the Common Elements.

4.7 View Impairment. Neither Declarant nor the Association guarantees or represents that any view over and across any property, including any Lot, from adjacent Lots will

be preserved without impairment. Neither Declarant nor the Association shall have the obligation to prune or thin Landscaping except as set forth in Article 5. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

4.8 Relationship with Tax-Exempt Organizations. The Association may create, enter into agreements or contracts with, grant exclusive and/or non-exclusive easements over the Common Elements to, or transfer portions of the Common Elements to non-profit, tax-exempt organizations, including but not limited to organizations that provide facilities or services designed to meet the physical or social needs of a particular group or class of persons, for the benefit of the Property, the Association, its Members and residents. The Association may contribute money, real or personal property or services to any such entity. Any such contribution shall be a Common Expense of the Association and included as a line item in the Association's annual budget. For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code ("Code"), such as but not limited to entities which are exempt from federal income taxes under Sections 501(c)(3) or 501(c)(4), as the Code may be amended from time to time.

Article 5. Maintenance.

5.1 Association's Responsibility - Common Elements. The Association shall provide Upkeep for the Common Elements, which shall include, but need not be limited to:

- (a) all Common Elements, all improvements upon the Common Elements, and the Stormwater Management Facilities;
- (b) all Landscaping, signage, and improvements, including any parks and structures situated upon the Common Elements;
- (c) all private streets, including any asphalt repairs thereto, situated upon the Common Elements;
- (d) landscaping, sidewalks, street lights, irrigation systems, and signage within public streets or other rights-of-way abutting the Property;
- (e) landscaping within any public utility easements and scenic or access easements within the Common Elements (subject to the terms of any easement agreement relating thereto);
- (f) access easements for the benefit of enumerated Lot owners as depicted on the map of the Project in the Register of Deeds;
- (g) any additional property included within the Common Elements as may be dictated by this Declaration and any plat of any portion of the Property, or any contract or agreement for maintenance thereof entered into by the Association; and
- (h) any property and facilities owned by Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its

Members and identified by written notice from Declarant to the Association until Declarant revokes such privilege of use and enjoyment by written notice to the Association.

The Association may also maintain and improve other property which it does not own, including, without limitation, property dedicated to public use, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard and if otherwise permitted by applicable law.

Except as otherwise specifically provided herein, all costs for Upkeep of the Common Elements shall be a Common Expense allocated among all Lots as part of an Assessment, without prejudice to the right of the Association to seek reimbursement from the Persons responsible for such work pursuant to this Declaration, other recorded covenants, or agreements with such Persons.

5.2 Association's Responsibility – Lots. The Association shall be responsible for the Upkeep of Landscaping on Lots and the Upkeep of all exterior portions of the Dwelling Units. For purposes of this provision, "Landscaping" shall mean the Landscaping initially installed by Declarant and shall not include any additions or modifications to the Landscaping installed by the Owner. For purposes of this provision, "exterior portions of the Dwelling Unit" shall mean the roof covering (i.e. shingles, tiles, etc.) and the siding materials on the exterior walls of the Dwelling Unit (i.e. wood, siding, brick, veneer, shakes, etc.), specifically excluding exterior components of all windows and exterior doors (including the glass panes and any storm windows or screens). The Association shall provide Upkeep to the Lots from time to time as determined in the sole discretion of the Board, and said Upkeep may vary between the Lots as the Board deems appropriate in its discretion.

Whenever the Upkeep of any item for which the Association is obligated to perform at its expense is occasioned by any act of an Owner, his tenants, guests or invitees, and such loss or damage may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of such Upkeep, except that the Owner who is responsible for the act causing the damage (whether done by himself or his tenants, guests or invitees) shall be required to pay such portion of the cost of such Upkeep as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such Upkeep.

Whenever the Upkeep of any item for which the Association is obligated to maintain, replace or repair at its expense is occasioned by an act of an Owner, his tenants, guests or invitees, and such loss or damage is not covered by any insurance maintained in force by the Association, the Owner who is responsible for the act causing the damage (whether done by himself or his tenants, guests or invitees) shall be required to pay the cost of such Upkeep.

5.3 Owner's Responsibility. Except for the Upkeep performed by the Association pursuant to Section 5.2, each Owner shall provide for the Upkeep of his or her Lot and Dwelling Unit, and all other structures, parking areas, Landscaping, and other improvements upon the Lot in a manner consistent with the Community-Wide Standard and all applicable covenants.

In addition to any other enforcement rights, if an Owner fails properly to perform his or her Upkeep responsibility, the Association may perform such work for Upkeep and assess all costs incurred by the Association against the Lot and the Owner in accordance with Section 10.5. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

Whenever the Upkeep of any item for which the Owner of a Dwelling Unit is obligated to perform at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of performing such Upkeep, except that the Owner of such Unit shall be, in said instance, required to pay such portion of the costs of such Upkeep as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such Upkeep.

5.4 Party Walls.

(a) Laws of North Carolina to Apply; Easement. All matters arising in connection with any wall which would constitute a party wall at common law shall, to the extent consistent with the provisions of this Article, be subject to the common law of North Carolina as modified by statute from time to time and as modified by this Article. If the centerline of a party wall now or hereafter fails to coincide with the boundary between the Lots it serves, an easement for any resulting encroachment is granted in accordance with Section 13.1 hereof.

(b) Upkeep. The Owners of Lots served by a party wall shall provide for the Upkeep of party walls and shall share equally the cost of their Upkeep except as otherwise provided in this Article. No Owner shall impair the structural integrity of any party wall nor diminish the fire protection afforded by any party wall.

(c) Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the following procedures shall be followed in order to restore such party wall.

(i) Either Owner served by the party wall shall notify the other Owner served by the party wall of any proposal to repair the wall. If within ten (10) days after such notice (or in an emergency, within twenty-four (24) hours after such notice or a bona fide attempt to give such notice) the other Owner has not responded to the notice, then the Owner giving notice may proceed with the repairs. Such repairs must be substantially similar to the original construction and installation and of first class quality, but may be made with contemporary materials.

(ii) If the other Owner served by the party wall responds to the notice, the Owners shall act together to repair the party wall. If the Owners are unable to agree upon the action to be taken, they shall submit the issue to arbitration in accordance with subsection (v) below.