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STATE OF NORTH CAROLINA RECORDED & VERIFIED
MARY SUE OOTS
REGISTER OF DEEDS
COUNTY OF NEW HANOVER NEW HANOVER CO. NC
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
MARITIME VILLAGE

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, made the 17th day of August, 1998, by SANCO OF WILMINGTON SERVICE CORPORATION, a North Carolina Corporation, hereinafter referred to as "Declarant";

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W I T N E S S E T H :

Whereas, Declarant is the owner of certain real property located in Federal Point Township, New Hanover County, North Carolina, (hereinafter referred to as the "Properties") which is more particularly described as follows:

Being all of **MARITIME VILLAGE**, as shown on the plat thereof recorded in Book 38 at Page 102 of the New Hanover County Registry, reference to which is hereby made for a more particular description.

Now, therefore, Declarant hereby declares that all of the Properties described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title, or interest in the described Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I.

DEFINITIONS

Section 1. "Association" and "HOA" shall be used interchangeably to mean and refer to **MARITIME VILLAGE HOMEOWNERS ASSOCIATION, INC.**, its successors and assigns, a private non-profit corporation formed or to be formed by the Declarant primarily as a Homeowners Association for the lot owners in **MARITIME VILLAGE**, all of whom shall be members of the Association.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners, which shall include any real property, improvements thereon, access easements, and other amenities conveyed to the Association by the Developer. The Common Area to be owned by the Association at the time of the conveyance of the first lot is set forth in the plat of **MARITIME VILLAGE**, as recorded in Map Book 38 at Page 102 of the New Hanover County Registry.

Section 5. "Lot" shall mean and refer to any of the numbered lots as shown on the plat of **MARITIME VILLAGE**, recorded in Map Book 38 at Page 102 of the New Hanover County Registry.

Section 6. "Declarant" shall be used interchangeably with "Developer", and shall mean and refer to SANCO OF WILMINGTON SERVICE CORPORATION, or its successor in interest if such successor should acquire undeveloped property from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean this instrument as it may be from time to time amended or supplemented.

Section 8. "Membership" shall mean and refer to the rights, privileges, benefits, duties, and obligations, which shall inure to the benefit and burden of each member of the Association.

Section 9. "Member" shall mean and refer to every person or entity who has a membership in the Association.

Section 10. "Mortgagee" shall mean a beneficiary under a mortgage or Deed of Trust.

Section 11. "Built Upon Area" shall mean that portion of each lot that is covered by impervious or partially impervious cover, including building, pavement, recreational facilities, etc., but not including decking.

ARTICLE II.

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

- a. The right of the Association to suspend the voting rights and privileges of an Owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.
- b. The rights of the Declarant as set forth herein.
- c. The right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area.
- d. The right of the Association to mortgage or convey all or part of the common area subject to such conditions as may be agreed to by the Association. No such dedication or transfer shall be effective unless an instrument creating such a dedication or transfer is signed by two-thirds (2/3) of each class of members (which votes may be cast in person or by proxy) and properly recorded.

Section 2. Delegation of Use. Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III.

EASEMENTS

Section 1. Easements are reserved and may be granted by Declarant or the Association as necessary in the Common Areas for installation and maintenance of underground utilities and drainage facilities, and sidewalks and walkways.

Section 2. An easement is hereby granted to all police, fire protection, ambulance and all similar persons, companies or agencies performing emergency services to enter upon the lots and common area in the performance of their duties.

Section 3. In case of an emergency originating in or threatening any lot or the common areas and facilities, regardless of whether any Lot Owner is present at the time of such emergency, the Board of Directors, or any other person authorized by it, shall have the right to enter upon any lot for the purpose of remedying or abating the causes of such emergency and making any other necessary repairs not performed by the Lot owners, and such right of entry shall be immediate.

Section 4. The Declarant reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement and right on, over, and under the ground with men and equipment to erect, maintain, inspect, repair and use electric and telephone poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public conveniences or utilities on, in, or over each lot and such other areas as are shown on the plat of the Properties recorded or to be recorded in the office of the Register of Deeds of New Hanover County; provided further, that the Declarant may cut drain ways for surface water whenever such action may appear to the Developer to be necessary in order to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery, make any grading of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. It further reserves the right to locate wells, pumping stations, and tanks within residential areas, or on any residential lot now or subsequently designated for such use or to locate same upon any lot with the permission of the owner of such lot. Such rights may be exercised by any licensee of the Declarant, but this reservation shall not be considered an obligation of the Declarant to provide or maintain any such utility or service.

Section 5. The Declarant reserves unto itself, its successors and assigns, the right to subject the real property in this Subdivision to a contract with Carolina Power & Light Company for the installation of street lighting, which contract requires a continuing monthly payment to Carolina Power & Light Company by each residential customer for street lighting service.

Section 6. All easements and rights described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in said land, or any part or portion thereof, regardless of whether or not reference to said easement is made in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration.

ARTICLE IV.

UTILITIES

Section 1. Water Service. Water Service for **MARITIME VILLAGE** shall be provided by the Town of Carolina Beach. No lot owner may drill or otherwise construct a water well on any lot in **MARITIME VILLAGE**, or use any other source of water supply.

Section 2. Sewer Service. All lots will be tied into the Town of Carolina Beach sewer system. All monthly charges for sewer service will be the responsibility of each individual lot owner.

Section 3. Irrigation System. The Developer shall install an irrigation system for the purpose of irrigation of the entrance area, and the charge for the water used shall be paid by the Association. Due to regulations of the Town of Carolina Beach, there shall be installed at one of the lots a sub-meter to measure the amount of water used by the irrigation system, and the owner of the lot where the sub-meter is installed shall be reimbursed by the Association for the cost of water used by the Association for the said irrigation system which is charged to the said lot owner. It shall be the responsibility of the Board of Directors to appoint a person to read the sub-meter and determine the amount to be reimbursed.

ARTICLE V.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

- a. CLASS "A". Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.
- b. CLASS "B". Class B member(s) shall be the Declarant or Developer and Declarant or Developer shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:
 - (1) when the total votes outstanding in Class A membership equals the total votes outstanding in the Class B membership, or
 - (2) on December 31, 2006.

ARTICLE VI.

MANAGEMENT AND CONTROL

Management of the affairs of the Association shall be the right and responsibility of its Board of Directors in accordance with this Declaration and the By-Laws. PROVIDED HOWEVER, that all of the powers and duties of the Board of Directors may be exercised by the Declarant until such time as 90% of the lots in **MARITIME VILLAGE** have been sold and conveyed by the Declarant to purchasers or until December 31, 2006, whichever occurs first. Management and control may be transferred to the lot owners at any time but in all events, no later than 120 days after the happening of the earlier of the above events.

ARTICLE VII.

COVENANTS FOR ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENT. The Declarant, for each lot owned within the Properties, hereby covenants, and each Owner of any lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- a. Annual assessments or charges, and
- b. Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided;
- c. Insurance assessments; and
- d. To the appropriate governing taxing authority, a pro rata share of ad valorem taxes levied against the Common Area, if any.

The annual, special, and insurance assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of all easements, utilities, and the Common Area, specifically including, but not limited to, the maintenance, repair, and replacement of access easements, streets, sidewalks, and other walkways, the cost of water used for the irrigation system, maintenance and repair of all stormwater drainage facilities and easements as herein provided, maintenance and repair of all other utility facilities and utility equipment not otherwise maintained and repaired by municipal, public, or private utility authorities, maintenance and operation of all lighting equipment, maintenance and repair of any amenities located upon the common areas, maintenance of the entrance area, subdivision sign, and fence along Spencer Farlow Drive, the costs of enforcing this Declaration, and the payment of all other expenses associated with the common areas, including the prompt and full payment of all ad valorem property taxes and insurance for said common area(s), and, in addition, doing any other things necessary or desirable in the opinion of the Association to keep the property in neat and good order, and to provide for the health, welfare, and safety of the Owners and residents of **MARITIME VILLAGE**.

Section 3. ANNUAL ASSESSMENTS. Lots shall not be subject to annual assessments until the lot is sold by the Declarant or Developer to an Owner. A lot shall become subject to annual assessments from the day following the day of conveyance by the Developer to the Owner. The annual assessments shall be determined and payable as follows:

- a. Until January 1 of the year immediately following the conveyance of the first lot to an Owner, the annual assessments shall be in an amount determined to be fair and reasonable by the Directors of the Association to carry out the responsibilities of the Association.
- b. From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased each year not more than ten (10%) percent above the maximum assessment for the previous year without a vote of the membership.
- c. From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased above ten (10%) percent by vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

- d. The annual assessment shall be collected on a quarterly basis. Upon the closing of a lot subject hereto, there shall be an assessment due for the remainder of the quarter in which the closing occurs, plus the amount of the assessment due for the following quarter.

Section 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to the year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including streets, sidewalks, walkways, fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. INSURANCE. The Board of Directors, on behalf of the Association, as a common expense, shall at all times keep the property of the Association, if any, insured against loss or damage by fire or other hazards and other such risks, including, but not limited to, directors' liability and public liability insurance, upon such terms and for such amounts as may be reasonably necessary from time to time to protect the Properties and Common Area, which insurance shall be payable in case of loss to the Association for all members. The Association shall have the sole authority to deal with the insurer in the settlement of claims. Such insurance shall be obtained without prejudice to the right of each member to insure his personal property for his own benefit at his own expense. In no event shall the insurance coverage obtained by the Association be brought into contribution with insurance purchased by members or their mortgagees.

Section 6. INSURANCE ASSESSMENTS. All insurance policy premiums on the Common Areas for the benefit of the Association purchased by the Board of Directors or its designee and any deductibles payable by the Association upon loss shall be a common expense, and the Association shall levy against the Owners equally as an additional annual assessment, (herein called "Insurance Assessment") which shall be in addition to the amounts provided for under Section 3 above, an amount sufficient to pay the annual cost of all such insurance premiums.

Section 7. WORKING CAPITAL ASSESSMENT. At the time title is conveyed to an Owner, each Owner shall contribute to the Association a working capital reserve an amount at least equal to a two months' estimated common area assessment. Such funds shall be used solely for initial operating and capital expenses of the Association, such as pre-paid insurance, supplies, and the common areas and facilities furnishings and equipment, etc. Amounts paid into the working capital fund are not to be considered as advance

payment of regular assessments. Any working capital funds remaining at the end of the first full operating year shall be transferred to and become part of the general funds of the Association, in the discretion of the Board of Directors.

Section 8. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast fifty-one percent (51%) of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 9. UNIFORM RATE OF ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all lots or units and shall be collected on a quarterly basis.

Section 10. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS AND DUE DATES. The annual assessments provided for herein shall commence as to all lots on the first day following the day of conveyance of the lot to an Owner, except that annual assessments shall not commence for any lot until a certificate of occupancy has been issued for such lot. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors and the Board of Directors shall have the authority to require the assessments to be paid in pro rata monthly installments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified unit have been paid.

Section 11. EFFECT OF NONPAYMENT OF ASSESSMENTS AND REMEDIES OF THE ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the maximum legal rate, together with all costs and reasonable attorney's fees associated with their collection, and all such sums shall become a lien upon the Owner's lot. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his unit.

Section 12. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VIII.

FIDELITY BONDS

Section 1. GENERAL. The Association shall maintain blanket fidelity bonds for all officers, directors, employees and all other persons handling or responsible for funds of the Association. If the Association shall delegate some or all of the responsibility for the handling of its funds to a management agent, such fidelity bonds shall be maintained by such management agent for its officers, employees and agents handling or responsible for funds of or administered on behalf of the Association.

Section 2. AMOUNT OF COVERAGE. The total amount of fidelity bond coverage required shall be based upon best business judgment and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three months aggregate assessments on all units plus reserve funds.

Section 3. OTHER REQUIREMENTS. Fidelity bonds required herein must meet the following requirements:

- a. Fidelity bonds shall name the Association as an obligee.
- b. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions.
- c. The premiums on all bonds required herein for the Association (except for premiums on fidelity bonds maintained by a management agent for its officers, employees and agents) shall be paid by the Association as a common expense.

- d. The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Association, to any insurance trustee and each Eligible Mortgage Holder.

ARTICLE IX.

ARCHITECTURAL CONTROL

Section 1. BUILDING AND SITE IMPROVEMENTS. No dwelling, wall, fence, storage building, outbuilding or other structure shall be commenced, erected, or maintained upon any lot in the Properties, nor shall any exterior addition to or change in or alteration therein (including color of paint or finish) be made until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant, or its designee, or, after the sale of all lots by the Declarant, by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event the Declarant, or its designee, or, if applicable, the Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with, provided that such addition, change, or alteration is in general conformity with the overall plan, design, and appearance of the subdivision in general. Refusal or approval of any such plans, location or specification may be based upon any ground, including purely aesthetic and environmental considerations, that in the sole and uncontrolled discretion of the Declarant or Architectural Control Committee shall be deemed sufficient. One copy of all plans and related data shall be furnished to the Declarant or Architectural Control Committee, as the case may be, for its records. Neither the Declarant nor the Architectural Control Committee shall be responsible for any structural or other defects in plans and specifications submitted to it or any structure erected according to such plans and specifications.

Section 2. DEVELOPER'S RIGHTS. All duties and responsibilities conferred upon the Board of the Architectural Control Committee by this Declaration or the Bylaws of the Association shall be exercised and performed by the Declarant or its designee, so long as Declarant shall own any lot in the Properties or any additions annexed thereto by Supplemental Declaration or Amendment to this Declaration.

Section 3. APPROVAL OF PLANS:

A. No house plans will be approved unless the proposed house shall have a minimum of 1300 square feet of enclosed dwelling area. The term "enclosed dwelling area" as used in the minimum requirements shall be the total enclosed area within a dwelling; provided, however, that such term does not include garages, terraces, decks, open porches, and like areas; provided, further, that shed type porches, even though attached to the house are specifically excluded from the definition of the aforesaid term "enclosed dwelling area".

B. Since the establishment of inflexible building setback lines for location of houses on lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view, preservation of important trees and other vegetation, ecological and related considerations, no specific setback lines shall be established by this Declaration. In order to assure, however, that the foregoing considerations are given maximum effect, the site and location of any house or dwelling or other structure upon any lot shall be controlled by and must be approved absolutely by the Declarant or the Architectural Control Committee, as the case may be. Provided, however, that no dwellings shall be constructed closer to any lot line than allowed by the applicable county zoning and subdivision ordinances.

C. The exterior of all houses and other structures must be completed within twelve (12) months after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder, due to strikes, fires, national emergency, or natural calamities.

D. No structure shall be erected, altered, placed or permitted to remain on any lot, except one single family dwelling not to exceed two and one-half stories in height, unless the Declarant or the Architectural Control Committee, as the case may be, approves in writing a structure of more than two and one-half stories, and one or more small accessory buildings (which may include a detached private garage, or guest facilities) provided that the use of such dwelling or accessory building does not in the opinion of the Declarant or Architectural Control Committee overcrowd the site, and provided further, that such buildings are not used for any activity normally conducted as a business.

E. All service utilities, fuel tanks, clothes lines, trash receptacles, toys, bicycles, grills, lawn mowers, lawn furniture, wood piles, stored materials, and similar articles of personal property are to be enclosed within a fenced area, wall or plant screen of a type and size approved by the Declarant or the Architectural Control Committee, so as to preclude the same from causing an unsightly view from any highway, street or right of way within the subdivision, or from any other residence within the

subdivision. Each lot in the Subdivision shall have one (1) mailbox and one (1) newspaper box, and these boxes shall be provided by the Declarant. No fences shall at any time be placed or permitted to remain on any lot without approval of the Declarant or the Architectural Control Committee as herein provided.

F. Off street parking for not less than two (2) passenger automobiles must be provided on each lot prior to the occupancy of any dwelling constructed on said lot which parking areas and the driveways connected thereto shall be constructed of concrete, brick, asphalt, or turf stone, or any other material approved by the Declarant, or its Designee. No parking shall be permitted in yard areas, streets, or common areas. All vehicles must be parked in driveways. No vehicle shall be allowed to block any street, roadway, or other access area. There may not be more than three (3) vehicles parked at any residence except with specific, written approval of the Developer or the Association.

Section 4. MAINTENANCE BY ASSOCIATION. The Association, at its expense, shall be responsible for maintaining, repairing, and replacing any planting easement areas, the fence along Spencer Farlow Drive, the street, all sidewalks and walkways, the entrance area irrigation system, and the stormwater drainage system, including all drainage lines, pipes and ditches which are located on the Properties, except those constructed by individual lot owners and located within individual lots. The Association shall have the right to enter upon any lot at reasonable times for the purpose of maintaining, repairing and replacing all utility and drainage lines and pipes which might be located on such lot; and each Owner hereby grants permission to the Association to enter upon his or her lot for such purposes.

In the event that such need for maintenance, repair or replacement (other than such being caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke, as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage Insurance Policies) is caused through the willful or negligent act of the Owner, his family, guests, or invitees, the cost of such maintenance, replacement, or repairs, shall be added to and become a part of the assessment to which such Lot is subject.

The Association shall maintain all common areas, including all roadways and access easements, the fence along Spencer Farlow Drive, plantings, shrubbery, and walkways located thereon, the entrance area irrigation system, and lighting fixtures within the common areas, and shall pay all costs of operation thereof including water supply charges and insurance premiums associated with general liability insurance insuring the Association from liability arising from the ownership of the common areas, equipment, and facilities.

Section 5: DEVELOPER OR ASSOCIATION APPROVAL. The following guidelines shall generally be observed in regard to the approval of storage buildings, outbuildings, fences, antennae and satellite dishes, for which approval by the developer or the association is required by this Declaration:

A. Storage Buildings and other Outbuildings:

1. Plans and proposed location must be submitted for approval by the Developer, its designee, or the Association.
2. No metal storage buildings or out buildings are allowed.
3. All materials, colors, and color patterns of the storage building or outbuilding must be the same as the dwelling located on the same lot (i.e. the walls of the storage building/outbuilding shall be the same as the walls of the dwelling, the trim on the storage building/outbuilding shall be the same as the trim on the dwelling, the shingles on the storage building/outbuilding shall be the same as the shingles on the dwelling).
4. Storage buildings and outbuildings must have an extended eave and fascia board.
5. As much as reasonably possible, storage buildings or outbuildings must be located in such manner as to be out of view of the street in Maritime Village.
6. Small "storage chests" may be allowed on a case by case basis subject to Developer or Association approval. If allowed, such "storage chest" must be located up against the rear of the house so as to hide such "chest" from view from the street.

B. Fences:

1. The design, height, type, color, location, and general appearance of any fence constructed or installed on any lot must be first approved by the Developer, its Designee, or the Association. The only fencing that may be installed by a lot owner shall be at the sides and rear of the lot. All fencing and fenced areas installed on a lot by the Developer shall be retained and maintained by the lot owner. In the event that any fence installed by the Developer should encroach upon the common areas, limited common areas, utility easements, drainage easements, or other lots, an easement is hereby reserved by the Developer over such common

areas, limited common areas, utility easements, drainage easements, or other lots for the maintenance of, the location of, and the continued existence of, such fence or fences in such areas.

2. Fences that can be seen from any street must be of treated wood. No "pre-fabricated" fence panels shall be allowed.
 3. No fence shall be higher than six (6) feet or extend nearer to the street than the front setback line of the main dwelling constructed on the lot.
 4. a. All posts must be pressure treated and rated for "in-ground" use. This is normally .40 retention.
b. All posts must be placed at least two (2) feet into the ground and must be set in concrete footings.
 5. Fences must be of either a shadow-box style or a solid picket style.
 6. All boards must be at least 3/4" thick with a smooth (dressed) surface.
 7. If a solid picket is used, care must be exercised so that no nails protrude out of the adjoining lot owner's side of the fence.
 8. Joints and miters must be tight.
 9. There shall be no rough edges, splinters, or burrs left on the fence.
 10. Only stainless steel or galvanized fasteners may be used.
 11. There must be at least three (3) horizontal 2"x4" frame members. The top frame member shall be no more than 4" below the top of the lowest vertical fence boards. The bottom frame member should be no more than 6" above the bottom of the vertical fence boards. The third frame member should be centered between the top and bottom horizontal frame members.
- C. Satellite Dishes and Antennae:
1. The location, design, size, and specifications of a satellite dish or other antenna must first be specifically approved in writing by the Developer or the Association.