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**DECLARATION OF COVENANTS,  
CONDITIONS, RESTRICTIONS AND EASEMENTS**  
**FOR**  
**NEW CENTRE DRIVE COMMERCIAL PARK**

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RECORDED AND INDEXED  
HARY BUSBOS  
REGISTER DEEDS  
NEW HANOVER COUNTY, NC

*THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS (this "Declaration")* is made this 28<sup>th</sup> day of September, 1999, by **NEW CENTRE DRIVE COMMERCIAL PARK, INC., a North Carolina Corporation** hereinafter referred to as "Declarant").

**RECITALS**

A. Declarant is the owner of certain real property located in New Hanover County, North Carolina which is legally described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property").

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B. This Declaration is being executed and recorded by Declarant in order to facilitate the development of the Property as an integrated business and commercial development and to fix and establish certain covenants, conditions and restrictions upon and subject to which the Property shall be improved, held, leased, sold and/or conveyed. The name of the development is New Centre Drive Commercial Park.

NOW, THEREFORE, Declarant hereby declares that all the real property described in Exhibit A attached hereto, and any additional real property as may, by subsequent amendment and/or supplement, hereto, be added to and subjected to this Declaration, is held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions and easements which shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in and to the Property or any part or parts thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

**ARTICLE 1  
DEFINITIONS**

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1.01 Definition: The following terms shall, except where the context otherwise requires, have the respective meanings hereinafter specified:

“Additional Property” shall mean any real property which may hereafter be annexed to and made a part of the Property.

“Articles” shall mean the Articles of Incorporation of the Association, as amended from time to time.

“Architectural Committee” means the standing committee of the Association as specified in Article 6 below, to approve the design, construction, operation, use, appearance and such other requirements as set forth herein, of all buildings, alterations, modifications, additions, deletions, landscaping and other improvements to be erected or erected, from time to time, on any Lot.

“Assessments” shall mean and refer collectively to all assessments of any kind or nature provided for in this Declaration including without limitation, annual and special.

“Association” shall mean New Centre Drive Commercial Park Property Owners’ Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

“Board” shall mean the duly elected and constituted Board of Directors of the Association.

“Building” shall mean any structure which (i) is permanently affixed to the land, (ii) has one or more floors and a roof, (iii) is bounded by either an open area or the lot lines of a Lot and (iv) has interior surfaces normally accessible for human use.

“Bylaws” shall mean the Bylaws of the Association, as amended from time to time.

“Common Areas” shall include the following:

- (i) The street, roads and drives (the “Roads”) on the Plats whether designated thereon as public or private streets, roads and drives. Declarant has or will convey to the Association all right, title and interest of Declarant, if any, in and to the foregoing Roads. The foregoing Roads have been dedicated on the Plats as public or private roads as indicated on the Plats, and have not been accepted for maintenance by the applicable governmental entities as of the date of this Declaration. The term “Roads”

shall also include any and all other roads, streets or drives hereinafter conveyed to and accepted by the Association.

- (ii) The easements, including, without limitation, those described in Article 18 of this Declaration and such other easements as may be shown on the Plats from time to time.
- (iii) All stormwater drainage easements not maintained by the City of Wilmington or other governmental entity having control thereof and stormwater holding, detention and/or retention ponds shown on the Plats.
- (iv) Any and all other real property and/or easements on real property or other interests in real property from time to time owned by the Association for the common use, benefit and enjoyment of the Owners.
- (v) Any and all personal property and interests therein from time to time owned by the Association for the common use, benefit and enjoyment of the Owners.
- (vi) Any area located within the Property designated on any Plat as existing park and/or walking paths.

“Declarant” shall mean NEW CENTRE DRIVE COMMERCIAL PARK, INC. or any legal successor thereto, or any Person who shall succeed to the rights and obligations of NEW CENTRE DRIVE COMMERCIAL PARK, INC. hereunder. The Declarant shall also include any Person to which Declarant shall expressly assign Declarant’s rights and obligations of hereunder in accordance with the terms hereof.

“Declaration” shall mean this Declaration of Covenants, Conditions, Restrictions And Easements for New Centre Drive Commercial Park, as the same may be amended, modified, supplemented and/or restated from time to time.

“Directors” shall mean the persons serving on the Board.

“Floor Area” shall mean the aggregate area of all floors within all Building erected on any Lot. Each floor shall be measured to the exterior side of each outside wall where such floor extends to an outside wall and shall be measured to the interior side of the supporting pillars or walls where such floor does not extend to an outside wall. The term “Floor Area” shall not include truck ramps or shipping or delivery areas situated outside any Building, improvement or other structure.

“Institutional Mortgage” shall mean a Mortgage which constitutes a first lien on a Lot and which is held by a bank, savings and loan association, trust company, insurance company or other recognized lending institution, other firms or entities customarily affording loans secured by first liens on

real property, or by an institutional or governmental purchaser of mortgage loans in the secondary market, such as, but not limited to, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

“Lot” shall mean a separately numbered tract or parcel of land lying within the Property as shown on the Plats thereof which may be conveyed by Declarant and owned in fee simple by the grantee thereof, and held for such uses as are consistent with this Declaration.

“Members” shall mean the members of the Association.

“Mortgage” with an initial capital letter, shall mean and refer to a mortgage, deed of trust, installment land sales contract and security agreement or other similar security interest instrument granting, creating or conveying a lien upon, a security interest in, or a security encumbered title to a Lot.

“Mortgagee” with an initial capital letter, shall mean and refer to the holder of a Mortgage.

“Outstanding Votes” shall have the meaning ascribed to such term in Article 4.

“Owner” shall mean the owner of any part of the Property, as shown on the records of the Register of Deeds of New Hanover County, North Carolina, as of the date of any action to be taken by such Owner under the provisions of this Declaration, and shall also mean and include any person designated in writing, whether in a lease or otherwise, by any such Owner to act in the manner provided herein with complete authority and in the place of such Owner in the matter for which action is taken.

“Person” shall mean an individual, corporation, trustee, partnership, unincorporated organization, limited liability company or other legal entity.

“Plats” shall mean the plats of the Property recorded in the Registry, as amended from time to time.

“Property” shall mean the real property described in Exhibit A attached hereto together with any Additional Property subject to or which may become subject to these Restrictions.

“Registry” shall mean the Office of the Register of Deeds of New Hanover County, North Carolina.

“Restrictions” shall mean the covenants, conditions, restrictions and other terms and provisions of this Declaration, as amended, modified, supplemented and/or restated from time to time, upon and subject to which the Property, or any part thereof, shall be improved, held, leased, sold and/or conveyed, all as hereinafter set forth.

“Roads” shall have the meaning ascribed to such term under the definition of “Common Areas” herein.

“Sign” shall mean any writing (including letter, word, or numeral); pictorial representation (including illustration or declaration); emblem (including device, symbol or trademark); flag (including banner or pennant); or any other figure or similar character, which (i) is a Structure or any part thereof, or is attached to, painted on or in any other manner represented on a Building or other structure, (ii) is used to announce, direct attention to, or advertise, and (iii) is visible from outside a Building. The following shall not be deemed to be a Sign within the meaning, as hereinabove set forth: (i) signs of a duly constituted governmental body, including traffic or regulatory devices, legal notices or warnings; (ii) small signs displayed for the direction or convenience of the public, including signs which identify restrooms, freight entrances or the like; and (iii) signs maintained by the Association within the Common Areas.

“Special Assessment” shall have the meaning ascribed to such term in Section 20.03 of this Declaration.

“Specific Assessment” shall have the meaning ascribed to such term in Section 20.04 of this Declaration.

“Structure” shall mean any physical object temporarily or permanently affixed to the land, except grass, shrubbery, trees or other landscaping.

## ARTICLE 2 GENERAL PURPOSES OF RESTRICTIONS

2.01 Purposes. The Property is hereby subject to the Restrictions for the following purposes which such purposes are not, and are not intended to be, exhaustive or exclusive.

- (a) To encourage development of the Property in a manner which is free from toxic and noxious matter and other hazards, and from offensive noise, odorous matter and other objectionable influences.
- (b) To promote the proper and most desirable use and development of the Property in accordance with a well considered plan and scheme of development.
- (c) To conserve and enhance the value of Lots and Buildings of Owners in the Property.
- (d) To protect against construction on Lots of improvements which are of poor design or quality and to encourage construction of improvements utilizing good quality and attractive material and

good architectural and planning standards compatible with other improvements in the Property.

- (e) To preserve and enhance the amenities in the Property and provide for the orderly management of the Common Areas.

### ARTICLE 3 PROPERTY RIGHTS

3.01 Owner's Easements of Enjoyment. Every Owner shall have and Declarant hereby grants to every Owner a nonexclusive right and easement of enjoyment and use in and to the Common Areas which shall be appurtenant to and pass with the title to every Lot, subject to the provisions of this Declaration and subject to the following provision:

(a) The right of the Association following approval of the Board, to (i) dedicate or transfer all or any portion of the Roads to any public agency or governmental entity so that such Roads shall be maintained as public roads and (ii) dedicate or transfer to any public or private utility or governmental authority drainage, sewage and/or utility easements on any part of the Common Areas, all subject to such conditions as the Board may determine is reasonable. The rights of the Association under this paragraph (a) shall not be subject to the provisions of paragraph (d) below.

(b) The right of the Association, subject to the provisions of paragraph (d) below, to mortgage, pledge, hypothecate or otherwise encumber any or all of the Association's real or personal property as security for money borrowed or debts incurred for the purpose of improving or maintaining the Common Areas or providing the services authorized by this Declaration; provided, however, that the Association shall not be entitled to encumber (i) the Roads, drainage easements or stormwater holding, detention and/or retention ponds, or (ii) any real estate which is not owned in fee simple by the Association unless the fee simple owner of the applicable easement area consents thereto (the provisions of this paragraph following the phrase "provided, however," may not be amended without the consent of all Owners which would be affected thereby)

(c) The right of the Association, subject to the provisions of paragraph (d) below, to give or sell or otherwise transfer all or any part of the Common Areas to any governmental entity, public authority, public service district, or public utility for such purposes and subject to such conditions as may be agreed upon by the Members as provided in paragraph (d) below; provided, however, that (i) this paragraph (c) shall not permit the Association to alter, change or deny access over the Roads to an Owner's

Lot unless such Owner consents thereto and (ii) the Association shall not be entitled to transfer any real estate under this paragraph (c) which is not owned in fee simple by the Association unless the fee simple owner of the applicable easement area consents thereto (the provisions of this paragraph following the phrase "provided, however," may not be amended without the consent of all Owners which would be affected thereby).

(d) The rights of the Association under paragraphs (b) and (c) above are subject to authorization by the affirmative vote of three-quarters (3/4) of the votes cast at a duly called meeting of the Association, subject to the quorum requirements established by Article 4, and subject to the requirement that written notice of the meeting and of the proposed action is sent to every Member of the Association at least thirty (30) days but not more than sixty (60) days prior to such meeting. A true copy of such resolution, together with a certificate of the results of the vote taken thereon, shall be made and acknowledged by the President or Vice President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument affecting the Common Areas. Such certificates shall be conclusive evidence of authorization by the membership.

3.02 Association Uses. The Association shall have a non-exclusive right of use and ingress or egress for maintenance, repair and replacement over, under and upon all of the Common Areas located on or adjacent to such Lot.

3.03 Limitations Upon Use of Common Area. The Board may establish reasonable rules and regulations concerning the use of the Common Areas and facilities located thereon. These regulations shall be binding upon the Owners, and the Board may impose reasonable monetary fines and other sanctions for violation of the rules which may be collected by a lien and foreclosure as a Specific Assessment.

**ARTICLE 4**  
**ASSOCIATION MEMBERSHIP; VOTING RIGHTS**  
**BOARD OF DIRECTORS; INSPECTION OF RECORDS**

4.01 Membership. Every fee simple Owner of a Lot shall be a Member of the Association during the period such Owner holds its fee simple interest. If fee simple title to a Lot is held by more than one person, each such person shall be a Member but the voting rights with respect to such Lot shall be exercised jointly in the manner hereinafter provided. An Owner of more than one Lot is entitled to one membership for each Lot owned. Each membership is appurtenant to and may not be separated from

the Lot upon which it is based and such membership shall be transferred automatically by conveyance of fee simple title to that Lot. No person other than a fee simple Owner of a Lot may be a Member of the Association, and a membership in the Association may not be transferred except by the transfer of title to a Lot.

4.02 Voting. The Association shall have two (2) classes of voting membership. The votes aggregated from both voting memberships shall constitute the total outstanding votes available for voting purposes in determining the action of the Association on any matter to be approved by vote (herein "Outstanding Votes").

4.02.1 Class A. So long as there is Class B membership, Class A members shall be all fee simple Owners except the Declarant. The number of votes appurtenant to a Lot owned by a Class A member shall be one (1) vote for each Lot. Upon termination of the Class B membership, Class A Members shall be all Owners, including the Declarant, so long as the Declarant is an Owner. If more than one (1) person owns an interest in any Lot all such persons shall be Members and the voting rights appurtenant to the Lot shall be exercised jointly as they, among themselves, determine by majority vote based upon ownership interest, but in no event shall the vote or votes appurtenant to a Lot be cast separately with respect to any jointly owned Lot (it being the intent hereof that the votes appurtenant to a Lot may not be divided or split in any manner, but that such votes shall be cast in a single block). Prior to any meeting at which a vote is to be taken, each co-owner shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to vote at such meeting, unless such co-owners or condominium association have filed a general voting authority with the Secretary applicable to all votes until rescinded.

4.02.2 Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot (including, without limitation, proposed Lots in the Property) owned by the Declarant and for each lot which may be developed in the "Future Development" property shown on the recorded plats of the Property. The Class B membership shall cease to exist and shall be converted to Class A membership on the happening of any one of the following events, whichever occurs first:

- (a) when the Declarant voluntarily relinquishes its right to Class B membership by an instrument recorded in the Registry; or
- (b) on December 31, 2009; or

- (c) when the total number of votes attributable to Class A memberships shall equal the total number of votes attributable to Class B memberships.

4.02.3 Outstanding Votes. The total Outstanding Votes in the Association may vary from time to time depending upon the number of Lots sold to third parties by Declarant. A quorum consisting of one-third (1/3) of the Outstanding Votes represented by Members in attendance or by proxy will be necessary to vote on all decisions to be made by the Association pursuant to the terms of its Articles and bylaws with a simple majority of the Outstanding Votes then present or represented by proxy being necessary for approval or disapproval of an action of the Association unless a greater percentage is required by this Declaration or the Articles or Bylaws for any specific action.

If a quorum is not present at any meeting of the Members, the meeting may be adjourned or recessed from time to time by the affirmative vote of a majority of the Outstanding Votes represented by Members in attendance or by proxy at such meeting. Notwithstanding any provision to the contrary in these Bylaws or the Declaration, the quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned or recessed for lack of quorum. This provision shall continue to reduce the quorum by fifty-percent (50%) from that required at the previous meeting until such time as a quorum is present and business can be conducted.

4.02.4 Voting List. The Bylaws shall establish reasonable procedures whereby the Association shall, prior to each meeting of the Members, prepare a voting list setting forth the Members entitled to vote together with the number of votes which may be exercised by each Member and the basis upon which the votes were calculated. If requested in writing by a Member, the Association will deliver to such Member annually a copy of the current voting list.

4.03 Board of Directors. The Board shall be established and maintained in accordance with the Articles, this Declaration and the Bylaws.

4.03.1 Initial Board. The number of persons constituting the initial Board shall be three (3) and the persons who are to serve as the initial Directors shall be appointed by the Declarant and may be set forth in the initial Articles.

4.03.2 Number, Term and Qualification. The number of Directors of the Association shall be not less than three nor more than ten. The Members at any annual meeting may by resolution fix the number of Directors to be elected at the meeting; but in the absence of such resolution, the number of

Directors elected at the meeting shall constitute the number of Directors until the next annual meeting of Members unless the number is changed by action of the Members. Each Director shall hold office until the next annual meeting of the Directors and until a successor is elected and qualifies. Directors need not be residents of the State of North Carolina. Election shall be by plurality vote. At the first annual election of the Board, the term of office of the two (2) Director candidates receiving the first and second highest pluralities of votes shall be established at two (2) years. In addition, the Director candidates receiving the third highest pluralities of votes shall be elected to serve for a term of one (1) year. Thereafter, as many Directors shall be elected as there are regular terms of office of Directors expiring at such time, and the term of the Directors so elected or appointed at each annual election shall be for two (2) years, expiring at the second annual election following their election, and thereafter until their successors are duly elected and qualified, or until removal from office with or without cause by the affirmative vote of a majority vote of the Members.

4.02.3 Election of Directors. Directors shall be elected by a majority vote at any annual meeting of the Members or at a special meeting of the Members of which notice of the purpose to elect one or more Directors has been duly given. The election of Directors shall be a part of the order of business of each annual meeting of the Members.

4.03.4 Resignation. A Director may resign at any time by giving notice of his resignation in writing addressed to the President or Secretary of the Association, or by presenting his written resignation in person at an annual or special meeting of Directors.

4.03.5 Removal. Directors may be removed from office at any time with or without cause by the Members by the vote that would be required to elect the Board of Directors. If a Director is removed, a new Director may be elected to fill the vacancy at the same meeting.

4.03.6 Vacancies. A vacancy occurring in the Board of Directors shall be filled by a majority of the remaining Directors (but not less than two) at any regular meeting or special meeting of the Board.

4.04 Inspection of Books and Records. The Board shall establish reasonable procedures whereby the Members are permitted to inspect the books and records of the Association during convenient hours on business days. The Board may impose reasonable rules, regulations and procedures concerning the inspection of books and records of the Association including, without limitation, those which (a) provide that the President or Secretary of the Association be given prior written notice of the inspection; (b) limit the business days during a calendar month during which such books and records

may be inspected to no less than four (4) business days; (c) provide a reasonable charge to a Member for more than one (1) inspection in any calendar quarter; (d) provide that any costs associated with the inspection (such as, for example, copy costs) shall be paid by the inspecting Member; and (e) such other rules and regulations as the Board may establish.

4.05 Amplification. The provisions of this Declaration are amplified by the Association's Articles and Bylaws; but no such amplification shall alter or amend substantially any of the rights or obligations of the Owners set forth in this Declaration. The provisions of this Declaration on the one hand, and the Articles and Bylaws on the other, shall be interpreted, construed, and applied to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, the provisions of this Declaration shall control anything in the Articles or Bylaws to the contrary.

## **ARTICLE 5 RIGHTS AND OBLIGATIONS OF THE ASSOCIATION**

5.01 The Common Areas. Subject to the rights of Owners and Declarant as set forth in this Declaration, the Association has exclusive management and control of the Common Areas and all improvements thereon and all furnishings, equipment and other personal property relating thereto.

5.01.1 Maintenance Duties; Insurance; Etc. The Association's duties with respect to such Common Areas include, but are not limited to, the following: (a) the maintenance of the Common areas; (b) the management, operation, maintenance repair, servicing, replacement and renewal of all landscaping, improvements, equipment and personal property constituting part of the Common Areas or located upon the Common Areas so as to keep all of the foregoing in good, clean, attractive, sanitary, safe and serviceable condition, order and repair; (c) all landscaping of the Common Areas; (d) the maintenance of adequate public liability, property casualty and hazard insurance for the benefit of the Association with respect to the Common Areas; (e) the payment of all taxes and assessments validly levied, assessed or imposed with respect to Common Areas except that the fee simple Owner of Common Areas which is subject only to an easement in favor of the Association shall pay all taxes and assessments applicable to such Common Areas; and, (f) the management, operation, maintenance, repair, servicing, replacing and renewal of all Roads and all improvements thereon; provided, however, that following the irrevocable acceptance of the Roads for maintenance as public rights of way by the applicable governmental entities,

the maintenance obligations of the Association for the Roads shall only be to the extent such activities are not performed by the applicable governmental entities. The Association also may provide other services, such as, but not limited to, security services as the Association deems appropriate.

5.01.2 Damage by Property Owners. In the event that the need for maintenance or repair upon or replacement of the Common Areas is caused (i) by construction activities on a Lot by an Owner or its agents or contractors, or (ii) through the willful or negligent acts of an Owner or its agents or contractors, then the cost of such maintenance, replacement or repairs shall be added to and become a part of the assessments to the Lot or Lots of such Owner and shall constitute a Specific Assessment.

5.02 Services. The Association may obtain and pay for the services of any person to manage its affairs to the extent the Board deems advisable, as well as such other personnel are furnished or employed directly by the Association or by any person with whom it contracts. Without limitation, the Board may obtain and pay for legal and accounting services necessary or desirable in connection with the Common Areas or the enforcement of this Declaration, or the Association's Articles, Bylaws, rules and regulations; provided, however, the Declarant shall bear all costs to establish this Declaration and related documents required to establish the Association.

5.03 Property Owned by Association. The Association may acquire, hold, and dispose of real property and tangible and intangible personal property, subject to such restrictions as from time to time may be contained in the Association's Articles of Incorporation and Bylaws. The Declarant shall, in its sole and complete discretion, transfer title of all or any portion of the Common Areas to the Association and the Association shall accept title to the same subject to easements, encumbrances and restrictions of record. All costs, if any, associated with such transfer or assignment shall be borne by the Declarant.

5.04 Rules and Regulations. The Association, upon two-thirds approval of its Members, and the Architectural Committee, as applicable, from time to time, may adopt, alter, amend, rescind, and enforce reasonable rules and regulations governing building and maintenance standards for and the use and operation of the Lots, Common Areas, or any combination thereof, which rules and regulations shall be consistent with the rights and duties established by this declaration. The validity of the Association's rules and regulations, and their enforcement, shall be determined by a standard of reasonableness for the purpose of protecting the value and desirability of the Property as a first class project.

5.05 Implied Rights. The Association may exercise any other right, power or privilege given to it expressly by this Declaration, its Articles or Bylaws, and every other right, power, or privilege reasonably to be implied from the existence of any right, power, or privilege so granted or reasonably implied to effectuate the exercise of any right, power, or privilege so granted. The Association shall have the power to do any and all lawful things which may be authorized, required, or permitted to be done by the Association under and by virtue of this Declaration and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association for the safety and/or general welfare of the Owners. Without in any way limiting the generality of the foregoing, after five (5) days' written notice with a specified time stated to adhere to the provisions set forth herein, the Association shall have the power and authority at any time and from time to time, without liability to any Owner, to enter onto any Lot for the purpose of enforcing any and all of the provisions called for herein, or for the purpose of maintaining and repairing any such Lot if, for any reason whatsoever, the Owner thereof fails to maintain or repair such Lot as required. The Association shall also have the power and authority from time to time, in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain or enjoin a breach or threatened breach of this Declaration, the Articles of Incorporation and Bylaws of the Association and to enforce, by mandatory injunction or otherwise, the provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association.

## **ARTICLE 6 REVIEW AND APPROVAL OF IMPROVEMENTS**

6.01 Architectural Committee. So long as there is Class B membership in the Association, the Architectural Committee shall be composed of one (1) person appointed by the Declarant from time to time and may be the Declarant. Upon and after termination of Class B membership, the Architectural Committee shall be composed of three (3) persons appointed by the Board from time to time, who shall serve at the pleasure of the Board. Any vacancy occurring on the Architectural Committee shall be filled by the Board. No member of the Architectural Committee shall be entitled to compensation for services performed unless the Board determines compensation is necessary in order to induce persons with suitable qualifications to serve on the Architectural Committee, but the

Architectural Committee may employ independent advisors and allow reasonable compensation to such advisors from Association funds. The Architectural Committee shall have full power to regulate all matters as have been delegated to the Architectural Committee in this Declaration. All decisions of the Architectural Committee shall be final and binding on any Owner. The Directors may also serve as the Architectural Committee.

6.02 Approval of Plans. No Building, Structure, or other improvement, including, without limitation, any signs, poles or towers, paved areas or fences, shall be erected, placed or altered on any Lot unless and until the plans and specifications therefor, a plot plan showing the location thereof on the particular Building Site, a landscaping plan and such other plans and specifications as the Architectural Committee may request (collectively the "Plans") shall have been submitted to and approved in writing by the Architectural Committee. The Architectural Committee shall also be entitled to require the submissions set forth in Section 6.07 of this Article. The approval of such Plans shall be based upon the following standards: adequacy of site dimensions; adequacy of structural design; conformity and harmony of external design with neighboring Buildings, Structures and improvements and with other Buildings, Structures and improvements on the Property; the affect of the location and use of the proposed improvements upon neighboring Buildings, Structures and improvements and upon other Buildings, Structures and improvements on the Property, and the operations and uses thereof or conducted thereon; relation to topography, grade and finished ground elevation of the Lot being improved to that of neighboring Lots; proper orientation of main elevations with respect to nearby streets; conformity of the Plans to the purpose and general plan and intent of this Declaration and with the Restrictions; and such other criteria as the Architectural Committee may reasonably deem necessary or advisable in order to effectuate the general plan and intent of this Declaration. The Architectural Committee may withhold its approval of such Plans for any reason including, without limitation, aesthetics. In the event the Architectural Committee fails to approve or disapprove such Plans, in writing, within sixty (60) days after the same have been submitted to the Architectural Committee, then such Plans shall be deemed to have been approved; provided, however, that lack of approval by the Architectural Committee shall not waive any express covenant contained herein. In the event of any disagreement on the question of suitability, the decision of the Architectural Committee shall be final.

6.03 Costs of Review. The Owner or any other person having its Plans reviewed hereunder shall pay for all costs associated with review of its

Plans by the Architectural Committee including any expense for architectural, engineering or attorneys' fees. Such sums shall be paid prior to final approval of the Plans. The Architectural Committee may adopt a schedule of reasonable fees for processing applications to the Architectural Committee. Such fees, if any, shall be payable to the Association, in cash, at the time the applications are submitted to the Architectural Committee. In the event that the foregoing expenses and fees are not paid by the Owner, they shall become a lien of the Association on the Lot as a Specific Assessment.

6.04 Certificates of Approval. Upon approval of Plans as set forth above, the Architectural Committee shall, upon the written request of an Owner, issue a certificate executed by the Association stating that the Plans have been approved, and if the improvements are constructed in substantial accordance with such Plans, the Architectural Committee shall, upon the written request of an Owner, issue a final certificate of compliance as set forth in the next sentence. Upon final approval of any construction by the Architectural Committee, it shall, upon request of the Owner completing such construction, issue a certificate of compliance signed by the Association stating that the construction was constructed in accordance with requirements of this Declaration.

6.05 Liability. The Association, the Members of the Association, the Architectural Committee, the members of the Architectural Committee, the Declarant and their respective employees or agents shall not be liable in damages to anyone submitting Plans for approval or to anyone affected by this Declaration in connection with the exercise of the rights or duties under this Article or by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval of the Plans. All persons who submit plans or specifications to the Architectural Committee for approval agree, by the submission of same, and every Owner of any Lot agrees, by acquiring title thereto or an interest therein, that he will not bring any action or suit against the Association, the Members of the Association, the Declarant or their respective employees or agents to recover damages arising from or in any way connected with this Declaration or the approval or failure to approve any Plans submitted. In regard to any Plans approved by the Architectural Committee, neither the Declarant nor the Association nor any member of the Architectural Committee nor any Member of the association shall be responsible or liable in any way for any defects in any Plans nor for any structural defects in any work done according to such Plans, nor for the failure of the Plans to comply with any law, rule, regulation or code.