

signs, temporary promotional signs, entranceways and signs, and stone, wood or masonry walls or monuments.

7.06 Easement to Facilitate Sales. Capital Sun Corporation, any other Declarant duly authorized by Capital Sun Corporation, and their respective duly authorized agents, representatives, employees and independent contractors, shall have the right to use any and all unsold Living Units as sales offices and/or model homes, to use and enter any and all unsold Lots and the Common Areas for sales or display purposes, to erect, maintain and operate real estate and construction offices, and to enter into agreements with other Owners who may agree to lease their Living Units for use as model homes and/or sales offices.

7.07 Easements for Emergencies. All policemen, firemen, ambulance personnel and all similar persons hereby are granted a perpetual easement to enter upon the Property (or any portion thereof) in the performance of their appropriate services.

ARTICLE VIII

GENERAL AND RESTRICTIVE COVENANTS

8.01 Use of Units and Common Areas. Each Lot and the Common Areas shall be occupied and used as follows:

(a) Except as permitted by the provisions of this Declaration, no part of the Property shall be used for any purpose except housing and the related common purposes for which the Property has been designed. Each Living Unit shall be used as a residence for a single family household and for no other purpose.

(b) An Owner may use a portion of a Living Unit for a professional or home office or studio, provided that such use shall be consistent with all laws, zoning ordinances and regulations of all governmental agencies having jurisdiction over the Property, and shall not interfere with the quiet enjoyment or comfort of any other Owner, and, provided, further, that in no event shall any Living Unit or any other part of the Property be used as a school or music studio. Except for such professional or home office or studio use, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted in the Property. Except for those related to real estate sales and construction, no sign, advertisement or message shall be displayed or published which offers or implies commercial or professional services, or which might constitute any other kind of business solicitation in or from any Lot.

(c) All Owners and occupants of any Lot or Living Unit shall abide by all laws, zoning ordinances affecting, and regulations of all governmental agencies having jurisdiction over, the Property.

(d) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be prohibited within any Living Unit or upon any Lot or the Common Areas, except that the keeping of a reasonable number (as determined from time to time by the Rules and Regulations) of orderly domestic household pets shall be permitted. Pets shall not be permitted upon the Common Areas unless accompanied by a responsible person. Any Owner or other occupant who keeps or maintains any pet shall be deemed to have indemnified and agreed to hold harmless the Association, each

Owner, the Board of Directors and the Declarant from any loss, claim or liability of any kind or character whatsoever arising by reason of the keeping or maintaining of such pet within the Property. All pets shall be leashed, registered and innoculated as required by law.

(e) No trash, garbage or other refuse shall be dumped or stored or allowed to be accumulated on any Lot or upon the Common Areas. The burning or incineration of trash, garbage or other refuse is prohibited. All trash, garbage or other refuse shall be placed in covered containers and shall be stored out of the public view except on days of collection.

(f) No junk or derelict vehicles, or other vehicles on which current registration plates are not displayed, shall be kept upon any Lot. No house trailers, or commercial or industrial vehicles, including but not limited to moving vans, trucks, tractors, trailers, vans (other than passenger vans), wreckers, hearses, buses or mobile homes shall be regularly or habitually parked within the Property.

(g) No temporary structure of any kind, and no trailer, tent, shack or pen or other similar structure shall be erected or maintained on any Lot without the prior written consent of the Board of Directors. The provisions hereof shall not apply to temporary structures incident to construction or repair of improvements on any Lot or the Common Areas.

(h) No fences shall be erected upon any Lot or the Common Areas, except for those fences, if any, erected by the Declarant and, after the time the Declarant ceases to have any interest in the Property, those erected with the prior written consent of the Architectural Control Committee. Any fence or wall built on any Lot shall be maintained in good condition and repair in a manner consistent with the appearance of surrounding Lots.

(i) No satellite receiving systems or stations shall be maintained upon the Common Areas, or upon any Lot without the prior consent of the Architectural Control Committee. No exterior television, radio, or other communications antenna of any sort shall be erected or maintained on any Lot or on any Living Unit, without the prior written consent of the Architectural Control Committee.

(j) Except for entrance, directional, community or traffic control or safety signs maintained in accordance with the provisions of paragraph 7.05 of this Declaration, no signs or other advertising shall be erected, posted or displayed in, on or about any Living Unit or upon any Lot or the Common Areas; provided, that one (1) temporary for sale or rent sign not in excess of two feet square may be erected upon any Lot or in any area designated for such signs by the Board of Directors or the Architectural Control Committee, or attached to any Living Unit. All signs advertising a Lot for sale or rent shall be removed within three days following the date of execution of any agreement of sale or rental. The provisions and limitations of this paragraph shall not apply to any Mortgagee who acquires title or takes possession of a Lot pursuant to a decree of foreclosure or any proceeding in lieu of foreclosure.

(k) Except for the rights reserved to any Declarant and the Association in this Declaration or in the Bylaws, or at law or in equity, the Common Areas shall be used only for the

furnishing of the services and facilities for which they are reasonably intended.

(l) No waste shall be committed in, on or to the Common Areas.

(m) No clothing, laundry, or wash shall be aired or dried on any portion of a Lot.

(n) No tree, hedge or shrub shall be maintained in such a manner as to obstruct street or directional signs or sight lines for vehicular traffic.

(o) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed thereon which may become an annoyance or nuisance to the other Owners. Owners shall maintain their Lots and all appurtenances thereon at all times in good repair and in a neat state. Except for flower gardens, shrubs and trees that are neatly maintained, all open lot areas shall be maintained as lawns unless otherwise approved by the Architectural Control Committee. All lawn areas shall be kept mowed and shall not be permitted to grow to a height in excess of four inches.

(p) The exteriors of all structures, including walls, doors, windows and roofs, shall be maintained in good order and repair. In the event of fire, or other casualty, no structure's exterior shall be permitted to remain unrepaired for longer than four (4) months.

8.02 No Application to Declarant. The provisions of paragraph 8.01 shall not apply to any Declarant in connection with the development, construction or improvement of any Lot(s) commencing within three (3) years from the date of recordation of this Declaration.

8.03 Replating of Lots. No Lot shall be subdivided or its boundary lines changed, except that each Declarant shall have the right, exercisable in the sole discretion of such Declarant, to replat any Lot or Lots owned by such Declarant.

8.04 Enforcement. Without limitation of the provisions of Article XI of this Declaration, the Board of Directors, acting for on behalf and in the name of the Association, shall have the power and authority upon five (5) days' prior written notice to any Owner of a Lot in violation of this Article VIII, at the cost and expense of such Owner, to take such action, including without limitation entering the offending Lot, as shall be necessary or appropriate to correct such violation.

ARTICLE IX

ARCHITECTURAL AND ENVIRONMENTAL CONTROLS

9.01 Architectural Control Committee. The Association, through its Architectural Control Committee, shall regulate the external design, appearance, location, and maintenance of the Property and the improvements erected thereon in such a manner so as to preserve a harmonious relationship among structures, natural vegetation and topography. Except for purposes of proper maintenance and repair, or as otherwise provided in this Declaration or in the Bylaws, no Living Unit or other structure or improvement shall be commenced, erected, placed, moved, altered or maintained, and no exterior addition to or change (including any

change in color) or alteration shall be made, until complete plans and specifications therefor, together with such other information as shall be requested by the Architectural Control Committee, shall have been submitted to and approved in writing by the Architectural Control Committee as to harmony of external design, color and location in relation to surrounding structures, natural vegetation and topography.

9.02 Composition and Appointment. The Architectural Control Committee shall be composed of no less than three (3) and no more than five (5) members, as shall be determined from time to time by the Board of Directors. All members of the Architectural Control Committee shall be appointed by the Board of Directors; provided, that, after all Class B memberships shall cease and automatically be converted to Class A memberships, all members of the Architectural Control Committee shall be Members, but no such member shall be a member of the Board of Directors.

9.03 Trees. No live hardwood trees measuring in excess of six (6) inches in diameter shall be removed from any Lot without the prior written approval of the Architectural Control Committee.

9.04 Architectural and Environmental Guidelines. Guidelines establishing submission and approval procedures, and architectural and environmental standards shall be promulgated, amended and/or repealed by the Architectural Control Committee, provided that any such guidelines shall not be contrary to or inconsistent with the provisions of this Declaration or the Bylaws. Copies of any such guidelines shall be furnished by the Architectural Control Committee to each Owner prior to the time when the same shall become effective.

9.05 No Application to Declarant. The provisions of this Article IX shall not apply to any Declarant in connection with the development, construction or improvement of any Lot(s) commencing within three (3) years from the date of recordation of this Declaration.

ARTICLE X

CONSENT OF MORTGAGEES

10.01 Federal Home Loan Mortgage Corporation Compliance. Notwithstanding any other provision of this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, but without limiting the provisions of paragraph 12.01 of this Declaration or granting any additional right or authority hereunder, in accordance with Section 3.208(a) of the Sellers' Guide of the Federal Home Loan Mortgage Corporation in effect as of the date of recordation of this Declaration, unless at least sixty-six and two-thirds percent (66-2/3%) of Mortgagees (based upon one vote for each Mortgage owned) or sixty-six and two-thirds percent (66-2/3%) of Owners (other than the Declarant(s)) have given their prior written approval, the Association shall not be entitled to:

(i) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas