

SouthPointe

Architectural, Landscape and Lake Buffer Guidelines



SOUTHPOINTE OWNERS ASSOCIATION, INC.

Version 2009

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Quick Info

Updates and Amendments

Note: These Architectural, Landscaping and Lake Buffer Guidelines incorporate the changes in process, requirements and restrictions made to date by the ACC by Amendments 1 (Jan 1, 2007), 2 (Jan 1, 2007) and 3 (Mar 3, 2009), and SouthPointe self-management; and edits that correct mis-spellings, word errors and repetition. This may cause a certain sections to be renumbered. References to sections in this document should be used with the document version to be independent of earlier versions.

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SouthPointe Architectural Control Committee
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PO Box 668710
Charlotte, NC 28266-8710
800-546-1566; 704-399-1506

Fees:

ACC Review Fee (for residence)	\$750.00
ACC Change Request (for residence)	\$250.00 after two change requests reviewed by the ACC
ACC Resubmittal Fee (for residence)	\$400.00
Construction Escrow	\$5000.00, Specific circumstances may change this amount, verify with ACC
Shoreline Escrow	\$1000.00, Specific circumstances may change this amount, verify with ACC

ARCHITECTURAL AND LAKE BUFFER GUIDELINES

INTRODUCTION

These Architectural and Lake Buffer Guidelines (the "Guidelines") have been prepared by the Architectural Control Committee (the "ACC") for the residential community known as SouthPointe. The Guidelines are contemplated in and are promulgated pursuant to that certain Declaration of Covenants, Conditions and Restrictions for SouthPointe (the "Declaration"). The Guidelines consist of three components: Architectural and Design Guidelines, Lake Buffer Guidelines, and Construction Rules, as set forth below. All defined terms used in the Guidelines, as indicated by the initial capitalization thereof, shall have the same meaning ascribed to such terms in the Declaration, unless otherwise specifically defined herein.

The Guidelines shall be employed in conjunction with the Declaration. If there is an express conflict between the terms of the Declaration and the terms of the Guidelines, the terms of the Declaration shall control and prevail; provided, however, the mere fact that the terms of the Guidelines may be more restrictive than the terms of the Declaration, or vice versa, shall not be construed as an express conflict, and in such case the most restrictive provision shall control and prevail. Of course, in the event governmental or quasi-governmental rules, regulations or requirements that are applicable to SouthPointe are more restrictive or more stringent than the terms of the Declaration and/or the terms of the Guidelines, the applicable governmental or quasi-governmental rules, regulations or requirements shall control and prevail.

DESIGN PHILOSOPHY

The Guidelines have been developed to implement the design philosophy of SouthPointe, namely, to blend structures, Lake James ("the Lake"), and residents' lifestyles into a harmonious and aesthetically pleasing residential community which places a strong emphasis on the preservation and enhancement of the natural beauty of SouthPointe. The Guidelines are intended to provide direction to Lot Owners and builders in the planning, design, and construction of residences and related Improvements on Lots. It is not the purpose of the Guidelines to create look-alike residences and other Improvements or to suggest that all residences employ the same colors, styles, and materials. Rather, the primary emphasis of SouthPointe is on quality of design and compatibility among all Improvements, without unduly restricting the ability of Lot Owners to exercise individuality in their choice or design of a residence and related improvements. The ACC will be open to and encourage creativity, innovative use of materials and design and unique (if appropriate) methods of construction as long as the final result is consistent with the spirit of the Guidelines and the guiding philosophy of SouthPointe. The authority of the ACC to approve or disapprove plans, specifications and drawings for residences, related improvements and landscape improvements is provided by the Declaration.

The Guidelines have been established to provide Lot Owners and their architects and builders with a set of parameters for (i) the preparation of plans, specifications and drawings for the construction of residences and related Improvements on Lots ("Building Plans and Specifications"), (ii) and the general application of the "Lake Buffer Guidelines". Each Lot Owner and each Lot Owner's building team should become familiar with the Guidelines and the process set forth herein for the submittal, review and approval of Building Plans and Specifications. If building in SouthPointe for the first time, Lot Owners and their builders are encouraged to consult the ACC with questions regarding the application of the Guidelines to the Lot Owners' design concepts prior to the initiation of any design work.

The ACC has been created to explain and assist in the design review process as well as to review, approve, or disapprove Plans and Specifications. It is the ACC's objective to maintain a pleasing aesthetic relationship of building to site and building to building and not to restrict individual creativity or preferences. The ACC will use the Guidelines for the purpose of reviewing each design, but the ACC may consider creative and innovative approaches in order to address special site conditions or circumstances, provided such approaches are permitted under the Declaration and are otherwise consistent with the spirit of the Guidelines. The ACC may retain advisory design professionals to serve as members of the ACC to aid in the review of Plans and Specifications.

FUTURE AMENDMENTS

The ACC reserves the right to amend any or all provisions of the Guidelines periodically and at any time, is the sole and absolute discretion of the ACC. Also, the ACC reserves the right to rule on all issues on a case by case basis, taking into account the fact that these guidelines are to be used as benchmarks for policies and procedures, and may be interpreted from time to time by the ACC to reflect certain circumstantial issues.

All Building Plans and Specifications shall be prepared in compliance with the most current version of the Guidelines (and all amendments thereto) that has been promulgated by the ACC at the time such Building Plans and Specifications are prepared.

ARCHITECTURAL AND DESIGN GUIDELINES

1. PROCEDURES AND APPROVALS

1.1. Architectural Review Process

Prior to the commencement of any construction activity of any type (including any grading work) on any Lot, an Application for Approval (using a form to be obtained from the ACC) of such work must be submitted by the Lot Owner or such Owner's designated agent to the ACC. The ACC must receive, review and approve the information and documentation required to be submitted under Section 1.3 herein entitled "Design Review Procedure" prior to the commencement of any such work. Also, all design and construction escrow fees required under these Architectural and Design Guidelines must be paid to the ACC prior to the commencement of any such work.

1.2. Pre-Application Procedure

Burke County and its Planning Department have jurisdiction over the community at SouthPointe. Each Lot Owner or a representative of each Lot Owner should contact representatives of Burke County and its planning department at the beginning of the planning and design process relative to such Owner's Lot to ensure compliance with the rules, regulations and standards of Burke County. Compliance with all governmental and quasi-governmental rules, regulations and standards is the obligation of each Lot Owner and the Lot Owner's builder. It should not be assumed, however, that compliance with the rules, regulations and standards of Burke County and other governmental and quasi-governmental authorities will satisfy all requirements of the ACC.

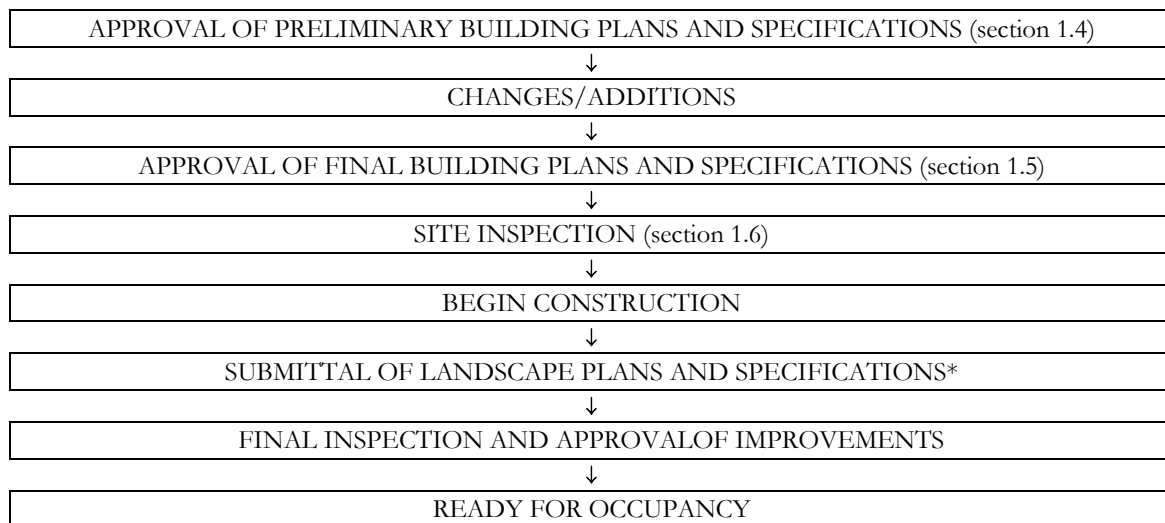
1.2.1. North Carolina Catawba Buffer Rules

These Guidelines are not intended to conflict with the NC Catawba Buffer Rules (see Schedule Q) as administered by the State of North Carolina and the North Carolina Department of Environmental Health and Natural Resources (NCDEHNR) and Lake James Protection Ordinance (Schedule R). In the case where there is a direct conflict between any governmental or regulatory agency laws, ordinances, rules, or provisions including the NC Catawba Buffer Rules, the more stringent stipulations shall apply.

1.3. Design Review Procedure

The successful completion of the design review procedure under the Architectural and Design Guidelines will be facilitated by reviewing and complying with the requirements outlined in the Architectural and Design Guidelines and by reviewing and following the step-by-step design review format described below. The review format has been structured to achieve a smooth and timely review from preliminary plan submittal to final site inspection and approval.

The following flow chart represents the necessary procedures in the process of building a residence in SouthPointe.



* Addressed more specifically in the Landscape Guidelines herein.

The approval process for construction of shoreline stabilization or a dock & pier may be done at any time and is not linked to the construction of a residence. Refer to the Lake Buffer Guidelines herein for specifics.

The ACC has established a schedule for submittal of Building Plans and Specifications, review of Building Plans and Specifications, and meeting with the Lot Owner or the representative of the Lot Owner to discuss any questions or concerns of the ACC relative to the Building Plans and Specifications. The established schedule permits a timely review of submitted Building Plans and Specifications and allows Lot Owners and their representatives to accurately plan their schedules. Building Plans and Specifications must be submitted by the Lot Owner or the Lot Owner's representative to the ACC Coordinator at the Coordinator's office by 5:00 p.m. six (6) days prior to the scheduled ACC review meeting. Each submittal of Building Plans and Specifications must be accompanied by the items listed on each appropriate application schedule. Fees associated with the approval process are:

- Check, for ACC Review Fee (refer to Fees listed on i), made payable to "SouthPointe Owners Association."
- Check, for Construction Escrow (refer to Fees listed on i), made payable to "SouthPointe Owners Association", and a completed Schedule B-1* (Explained further in section 5.2)

* These items are due only if submitting for Final Review of Building Plans and Specifications.

The ACC has a review meeting once every two weeks to review the Building Plans and Specifications that have been submitted since the most recent ACC review meeting. Contact the ACC for specific day and time for meetings. Each Lot Owner that has submitted Building Plans and Specifications for review is encouraged, although not required, to attend the ACC review meeting at which such Lot Owner's Building Plans and Specifications will be reviewed to respond to any questions that the ACC may have relating to such Lot Owner's Building Plans and Specifications. ACC review meetings are limited to the review process for approval or disapproval, extended design discussions may be scheduled for another time with the ACC.

As set forth above, each Lot Owner will be charged a Processing Fee for the review of such Lot Owner's Building Plans and Specifications. The Processing Fee (refer to Fees listed on i), shall be paid by check and shall be made payable to "SouthPointe Owners Association." The ACC shall have the right to increase the amount of the Processing Fee from time to time as stated in the Declaration and these Guidelines. The Processing Fee is intended to partially cover the expense incurred by the ACC in reviewing Building Plans and Specifications, including the cost of compensating any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained by the ACC.

1.4. Review of Preliminary Building Plans and Specifications

The ACC encourages Lot Owners and builders who are building in the SouthPointe community for the first time to participate in the preliminary Building Plans and Specifications review process. Although not required, the preliminary Building Plans and Specifications review process may help avoid unnecessary expense and delay by expediting later phases of the Building Plans and Specifications review process. The ACC will review with the Lot Owner or the Lot Owner's representative such Lot Owner's proposed design approach to confirm general compliance with the Architectural and Design Guidelines and the appropriateness of the design concept. To fully utilize the preliminary Building Plans and Specifications review process, a completed site plan and the architectural drawings for the Improvements (as outlined in the enclosed Application for Preliminary Design Approval form, a copy of which is attached hereto as Schedule A) shall be included as part of the preliminary Building Plans and Specifications submittal. The preliminary Building Plans and Specifications submittal shall also include a completed Application for Approval and the Processing Fee (refer to Fees listed on i). Additional components of the submittal are described more particularly in Section 1.3.

The ACC shall review the preliminary Building Plans and Specifications and return them to the Owner marked "Approved", "Contingent Approved", or "Disapproved," as the case may be. As to any preliminary Building Plans and Specifications that are marked "Approved" or "Contingent Approved" by the ACC, final Building Plans and Specifications produced thereafter must be in substantial conformity therewith; provided, however, the ACC's approval of preliminary Building Plans and Specifications shall in no way bind or obligate the ACC to approve the subsequent final Building Plans and Specifications.

The ACC may refuse to approve preliminary Building Plans and Specifications or any component(s) thereof, including, without limitation, the location, style, exterior colors or finishes or other specifications of the proposed Improvements for any reason or reasons, including purely aesthetic reasons, in the sole discretion of the ACC.

1.5. Review of Final Building Plans and Specifications

The submittal of final Building Plans and Specifications shall incorporate all of the requirements stated in the Application for Final Design Approval form, a copy of which is attached hereto as Schedule B, and other portions of the Architectural and Design Guidelines as well as comments from previous meetings and design reviews.

Four (4) complete sets of the final Building Plans and Specifications must be submitted to the ACC. Also, the ACC Review Fee (refer to Fees listed on i) must be submitted as part of the final Building Plans and Specifications submittal if the Processing Fee

has not been paid to the ACC previously. Additional components of the submittal are described more particularly in Section 1.3.

If found not to be in compliance with the Guidelines or if found to be otherwise unacceptable to the ACC, one (1) set of the final Building Plans and Specifications shall be returned to the Lot Owner marked "Resubmit" or "Disapproved", accompanied by a written statement of items found not to be in compliance with the Guidelines or to be otherwise unacceptable to the ACC. If the first resubmittal of final Building Plans and Specifications occurs more than a year from the original submittal of the final Building Plans and Specifications, such resubmittal shall be accompanied by an ACC Resubmittal Fee (refer to Fees listed on i); also, each resubmittal of final Building Plans and Specifications in excess of three (3) submittals (including both the original submittal and any resubmittals) shall be accompanied by a supplemental ACC Resubmittal Fee (refer to Fees listed on i).

At such time as the final Building Plans and Specifications are approved (or conditionally approved) by the ACC, one (1) complete set of the approved final Building Plans and Specifications shall be retained by the ACC and the other complete set of the approved final Building Plans and Specifications shall be marked "Approved as Submitted" or "Approved as Noted" and returned to the Lot Owner, along with a written statement with design comments. Once the ACC has approved final Building Plans and Specifications for Improvements to be constructed on a particular Lot, the construction of such Improvements must be promptly commenced and diligently pursued to completion; and if such construction is not commenced within one (1) year following the date of approval of the final Building Plans and Specifications by the ACC, the approval of such final Building Plans and Specifications by the ACC shall be deemed rescinded. In the event of any such rescission of the ACC's approval of final Building Plans and Specifications pursuant to the immediately preceding sentence, construction of Improvements on such Lot may be commenced thereafter only after resubmission of final Building Plans and Specifications to the ACC for approval and approval of such final Building Plans and Specifications by the ACC.

Any modification or change to the "Approved" set of final Building Plans and Specifications must be submitted in triplicate to the ACC for its review and approval (using the same procedure as set forth herein relative to the submission and approval of the original final Building Plans and Specifications). The ACC may require the Lot Owner to pay an additional review fee in connection with any submittal of modifications or changes to previously approved final Building Plans and Specifications.

1.6. Lot Staking, Site Inspection and Approval to Commence Work

Once final Building Plans and Specifications approval has been granted by the ACC, the Lot Owner or the Lot Owner's representative shall stake the Lot for review and approval by the ACC prior to commencing any construction work thereon (including grading work). The lot owner or the Lot Owner's representative must clearly stake the proposed house and property lines and, if applicable, the Lake Buffer Area (as defined herein). Staking shall be with a continuous ribbon or string encircling the area(s) to remain undisturbed, and any additional trees to remain undisturbed located outside the encircled area shall be ribboned individually or in groups. After such staking of the Lot has been completed in accordance with this Section 1.6, the Landscape and Lake Buffer Guidelines, the Lot Owner or the Lot Owner's representative shall request the ACC to make a site inspection prior to the commencement of clearing and construction work on the Lot.

The primary purpose of the site inspection by the ACC is to ensure compliance with the approved Building Plans and Specifications, to prevent any unnecessary damage to specimen trees and other unique site features. (Please refer to the Landscape Guidelines and the Lake Buffer Guidelines regarding requirements and restrictions relating to tree and vegetation protection and removal.) In addition to the foregoing matters, the site inspection shall include a review of the following matters and issues:

Building setbacks (as per stakes);	Protection of water meter and sanitary sewer boxes;
Lake Buffer Area Location (as per stakes);	Location of construction entrances;
Side yards (as per stakes);	Location of temporary toilet;
Clearing limits;	Location of trash containers; and
Placement of excavation materials;	Erosion control measures (silt fences, hay bales, diversion swales, stone filter dams, etc., as required).

Inspection by the ACC shall be made within seven (7) business days of the date the request is received by the ACC. Written authorization by the ACC to proceed with the Lot clearing and construction work will be issued to the Lot Owner or to such Lot Owner's builder by the ACC promptly after the inspection is completed or, if problems are detected during the site inspection, written notification of such problems shall be given to the Lot Owner or such Lot Owner's builder by the ACC promptly after the inspection is completed. No clearing or construction activities may be commenced prior to issuance of the site inspection approval by the ACC. The ACC shall have the right to stop any unauthorized clearing and/or construction activities that are commenced on a Lot in violation of the terms and requirements of the Guidelines. The ACC may delegate its site inspection functions under this section to SouthPointe's development construction manager for SouthPointe.

1.7. Failure of the ACC to Act

If the ACC fails to approve or disapprove any final Building Plans and Specifications and other submittals which conform (and which relate to Improvements which will conform) with the requirements of the Guidelines and of the Declaration or to reject them as being inadequate or unacceptable within thirty (30) business days after receipt thereof, and provided such submittal was a full and complete submittal, in accordance with the Guidelines and the Declaration, of all items that were to have been submitted to the ACC, and provided the ACC shall again fail to approve or disapprove of such final Building Plans and Specifications and other submittals within ten (10) business days after additional written request to act on such items is delivered to the ACC following the passage of such first above-described thirty (30) business day period, it shall be conclusively presumed that the ACC has approved such conforming Building Plans and Specifications and other submittals, EXCEPT that the ACC has no right or power, either by action or failure to act, to waive or grant any variances relating to any mandatory requirements specified in the Declaration or any Additional Declaration for the Phase in which the Lot is located, and EXCEPT FURTHER, that the ACC shall not be deemed to have waived any of the requirements set forth in Article XI, Section 8, Section 9 or Section 10 of the Declaration or any corresponding provisions in the Guidelines. If final Building Plans and Specifications or other submittals are not sufficiently complete or are otherwise inadequate, the ACC may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject or approve the balance. The ACC is authorized to request the submission of samples of proposed construction materials.

1.8. Changes to Approved Plans

All changes, once Final Building Plans and Specifications have been reviewed and approved, must be submitted to the ACC for approval (as outlined in the Minor Change Application, attached hereto as Schedule D).

1.9. Review of Landscaping plans

Landscaping plans accompanied by a schedule C are to be submitted to the ACC for review approximately when the construction of the house is "dried in."

1.10. Final Inspection and Construction Escrow Refund

Once all improvements have been completed, including landscape improvements, a final inspection must be conducted to ensure compliance with the ACC's approval of Final Building Plans and Specifications. A request must be made to the ACC in writing to conduct a final on-site inspection (see the attached Schedule K). The Construction Escrow Deposit, will be refunded after this inspection has been conducted and the lot is deemed to be "in compliance" with the approved plans and specifications, and provided the escrow deposit has not been utilized during the building process as outlined in Section 5.2.

2. SITE PLANNING

2.1. Site Analysis and Siting Considerations

The siting of a house is a critical and important design decision. The site plan concept developed for each Lot Owner (as part of the Plans and Specifications for such Owner's Lot) should reflect functional needs but also should be sensitive to the unique characteristics of the Lot as well as the unique characteristics of the surrounding neighborhood.

The ACC shall consider each Lot independently but shall give consideration to the impact of each individual Lot (and the Improvements proposed to be constructed thereon) on adjacent Lots and view corridors. Care must be taken to locate each structure, when and where possible, so as not to infringe upon adjacent Lots and structures constructed or to be constructed thereon, view corridors and natural amenities of the area. Consideration in this regard must be given to the following:

- 1) Topography of the Lot and other Lots in the vicinity.
- 2) Distant and intimate views from the Lot.
- 3) Distant and intimate views of the Lot from other Lots and from the Lake.
- 4) Existing vegetation type and quality.
- 5) Existing water and drainage patterns.
- 6) Driveway access.
- 7) Height of proposed structures on the Lot and existing and proposed structures on adjacent Lots and other Lots in the vicinity.
- 8) Setback from street to align with adjacent Lots.

All structures should be sited so as to minimize disruption to the existing natural setting, including mature trees, drainage ways and the Primary View. The "Primary View" for each Waterfront Lot differs based on the Lot's relationship to other Lots as determined by the ACC, but is generally defined as the areas facing the Lake and formed by extending opposing lines (1) at a 45 degree angle from each rear corner of a Lot's Building Envelope or (2) from the rear corners of a Lot's Building Envelope through the closest rear corners of neighboring Lots' Building Envelopes, whichever is smaller. For example, in the accompanying Figure 1, Building Envelopes are shown with shading; Lines A and B are at 45 degree angles from the rear corners of the Lot 2 Building Envelope; and Lines C and D extend from the rear corners of the Lot 2 Building Envelope through the closest rear corners of the Lots 1 and 3 Building Envelopes. The smallest area between any opposing lines is the area between opposing Lines A and D. Therefore, the Primary View from Lot 2 is the area between Lines A and D.

Notwithstanding the above, Primary Views and other view corridors from a Lot to the Lake, Common areas and other areas within SouthPointe are subject to the rights of other Lot Owners, the ACC, and others under the terms and conditions of the Declaration and these Guidelines to construct Improvements and install landscape Improvements that might obstruct or diminish such views and view corridors. The Committee will use the Primary View concept as a guide, but not an absolute rule when reviewing proposed Building Plans and Specifications. Provided, however, unless otherwise approved by the ACC, no fence or wall shall be erected, placed or maintained on a Waterfront Lot which will substantially obstruct a Primary View of any other Waterfront Lot.

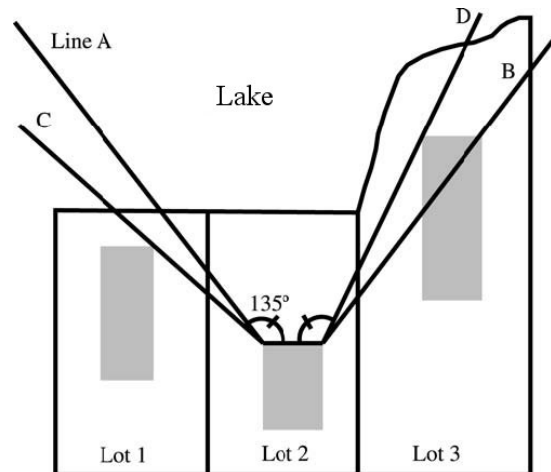


Figure 1 Views (par. 2.1)

2.2. Building Envelopes and Building Setbacks

The Burke County Planning Department has established minimum standards for building setbacks for various types of residential structures within Burke County. The building setbacks required by Burke County, however, are not to be the ACC relative to Lots in SouthPointe, and the ACC reserves the right to impose setback requirements relative to some or all of the Lots that are more stringent than the setback requirements imposed by Burke County. The ACC has provided setback requirements that, when viewed in total, are designed to ensure that the SouthPointe community will be pleasing in appearance from views not only from the Roadways but also from the Lake or the Club Facilities. In that regard, the ACC has established a specific Building Envelope for each Lot, and the Building Envelope approved by the ACC for each Lot will be available from

the ACC on an unrecorded plat. The Building Envelope for each Lot defines the front, side, and rear yard setbacks, which setbacks are generally more restrictive than the setback requirements imposed by Burke County. The intent of the ACC in imposing the Building Envelope is to allow for harmonious alignment of the Improvements on Lots to help assure appropriate views of and from the residences located on the Lots.

Within the Building Envelope, the residence and all other Improvements shall be located and tailored to the specific features of the particular Lot. All Improvements shall be located so as to minimize disruption or disturbance to the existing natural setting, including mature trees, drainage ways, and views. As part of the review and approval of Plans and Specifications, the ACC may require that the location and orientation of the house and other Improvements within the Building Envelope be modified. No building on any Lot (including any stoops or porches, patios, terraces, decks, etc.) and no swimming pool, or other recreational Improvement on any Lot shall be erected or permitted to remain outside of the Building Envelope for that particular Lot. Provided, however, and notwithstanding the foregoing to the contrary, (i) docks, piers (including any gazebos proposed to be attached thereto) and boatslips are exempt from this Building Envelope restriction, provided they are approved by the ACC in accordance with the applicable provisions herein; (ii) exterior steps at the front and rear of the structure may project into the setback area established by the Building Envelope up to a distance of five (5) feet; and (iii) fireplace chimney structures projecting from the side of a dwelling may encroach eighteen (18) inches into the side yard setback established by the Building Envelope when not conflicting with a county setback or restriction.

As set forth in the Declaration, the ACC shall have the right, in its sole discretion, to make exceptions to any Building Envelope to recognize any special topography, vegetation, Lot shape or dimension, or other site-related condition.

Burke County Waterfront Setback Requirements

Burke County has established the Lake James Protection Ordinance (see Schedule R) which has the following Waterfront Setback Provisions for all permanent residential structures:

1. Structures shall be setback at least sixty-five (65) feet from the 1200' contour / property line. On lots with a slope greater or equal to 2:1 (horizontal to vertical), the setback requirement is increased to seventy-five (75) feet from the 1200' contour/property line. (SouthPointe Covenants, Restrictions and Conditions section 8.5 sets the waterside construction setback at 65' from the waterside property line.)
2. Driveways shall be setback at least seventy-five (75) feet from the 1200' contour / property line, if feasible, and shall be designed to minimize disturbance to existing natural vegetation and topography.

2.3. Driveways, Sidewalks, and Utilities

The ACC has established a recommended driveway location for each Lot, and such recommended driveway location is depicted on the master plan that shows the Building Envelope for such Lot. The ACC also may establish particular areas of the Lot in which the driveway, sidewalks, and utility lines must be located. The driveway location will vary from Lot to Lot, depending on the Lot size, shape, topography, vegetation, placement of the Building Envelope, sight distances at the entry to the adjacent public Roadway(s) and the location of other houses and access driveways in the vicinity of the Lot. Driveways and sidewalks should be configured and curved, where practical, to accommodate existing trees to avoid unnecessary cutting of existing trees and to avoid a "straight shot" view to the garage, parking area or front or side doors of the house. In no case shall the side boundary of a driveway be located less than two (2) feet from a side boundary line of the Lot.

Driveways should be constructed of brick or lightly brushed concrete with a smooth trowelled decorative edge, unless another material is approved for a particular Lot by the ACC. On cul-de-sac lots, circular drives with two (2) street entrances will not be permitted. Driveway width should be 12' except at garage backup area. (See Figure 2).

Exceptions to the designated driveway, sidewalk and utility areas can be made by the ACC in writing. However, the ACC will consider proposed deviations only if their implementation will not result, in the judgment of the ACC, in an adverse impact upon the natural features of the Lot, neighboring Lots, or the SouthPointe community as a whole.

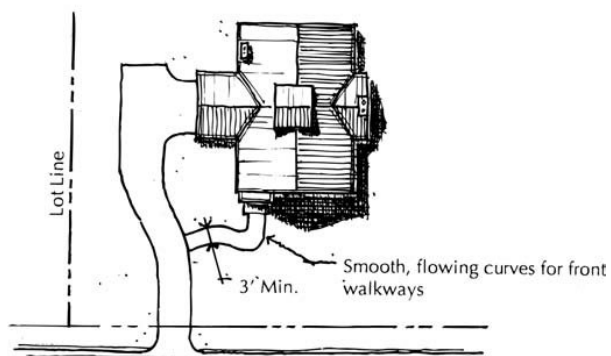


Figure 2 Front Walkway Design (par. 2.3)

2.4. Easements

Landscape Improvements (as defined in the Landscape Guidelines) and the building of driveways or fencing within utility easements is permissible (unless otherwise prohibited by a recorded easement instrument). Provided, however, if in the future there is a need to disturb or remove such Landscape Improvements, driveways or fencing to access such utilities, such removal and any necessary repair and restoration shall be the responsibility of the Owner of the Lot.

2.5. Erosion and Sediment Controls

The design and development concepts of SouthPointe community call for the utilization and enhancement of the existing natural environment. The ACC is particularly conscious of the erosion and sediment disturbances that can occur during any clearing, grading, or construction activity on a Lot. To help minimize erosion and sediment disturbances, as part of the final Building Plans and Specifications, an erosion control plan (using erosion control measures such as silt fences, hay bales, diversion swales, stone filter dams, etc., as required) must be designed in accordance with Schedule O attached hereto and must be incorporated within the site plan. Approval of the erosion control plan must be obtained from the ACC (as part of the approval of the ACC of the final Building Plans and Specifications) prior to any earth-disturbing operations on any Lot. Particular care must be exercised on Lots fronting the Lake to prevent any negative effect or impact upon the Lake and/or the Lake Buffer Areas. Erosion control measures implemented pursuant to an approved erosion control plan must remain in place until such time as all disturbed areas have been stabilized.

All erosion control plans submitted to the ACC shall be considered individually for each Lot. Recommendations or requirements of the ACC in that regard will be based on individual Lot location, terrain, soil conditions, vegetation, drainage, proposed cuts and fills, and any other conditions the ACC determines impact upon the possible erosion and sediment disturbances for the Lot. At a minimum, however, each Lot Owner shall be responsible for causing the following minimum erosion control practices to be implemented and maintained throughout the course of all earth-disturbing operations until final stabilization.

- 2.5.1. Roadway and Homesite Construction Entrance. Prior to the commencement of any earth-disturbing operation, a stone construction entrance shall be installed on the building site (the "Construction Entrance"). The Construction Entrance shall: (i) if possible, be installed in the same location as the proposed driveway so as to minimize the amount of disturbed area; (ii) extend a minimum of 50 feet from an existing roadway; and (iii) be installed, preserved and replaced, if necessary, in accordance with the standards more particularly set forth on Schedule O attached hereto. During construction, each Owner shall use diligent efforts to minimize traffic traveling off of the driveway onto such Owner's Lot.
- 2.5.2. Silt Control Devices. Prior to the commencement of any earth-disturbing operation, a diversion ditch and rock check (or stone filter) dam, silt fence, tree protection fence and/or other similar measures approved by the ACC shall be constructed / installed and maintained on the building site (collectively, "Silt Control Devices"). The Silt Control Devices shall be located at the boundary of the estimated disturbed areas as set forth more particularly listed below and shall be constructed, preserved, and replaced, if necessary, in accordance with these standards.
 - 1) Erosion control measures shall be provided for each lot as it is developed.
 - 2) The owner shall be responsible for installing and maintaining the erosion control measures for each lot owned by such owner.
 - 3) The owner shall install a #5 washed stone construction access to each lot owned by such owner. Access to each lot shall be via this drive only. The owner shall not encroach or allow any encroachment into the undisturbed grass area between the back of curb and the right-of-way line with materials or vehicles.
 - 4) The owner shall provide a material storage area on each lot owned by such owner. This storage area shall be accessed only from the lot or the construction access drive.
 - 5) The typical lot erosion control measures shown shall be field located and adjusted to reflect the final grades and actual field conditions of each lot.
 - 6) The owner shall provide maintenance inspections of all lot erosion control measures on a daily basis and after rainfall. Repairs shall be performed immediately.
 - 7) The owner shall at all times remain cognizant of and in obedience with the restriction prohibiting clearing, grading or construction of any kind within the limits of the lake buffer areas.
 - 8) All measures in the storm water management and erosion control plan shall meet the best management practices set forth in the North Carolina erosion and sediment control planning and design manual.
 - 9) Whenever practical, natural vegetation shall be retained, protected or supplemented. The stripping of vegetation shall be done in a manner to minimize soil erosion.
 - 10) Appropriate erosion and sediment control measures shall be installed prior to removal of vegetation.

- 11) Erosion and sediment control measures shall be placed immediately downstream of disturbed areas and shall not be placed within remaining tree stands, only along limits of clearing.
- 12) The area of disturbance and the duration of exposure shall be kept to a minimum. Disturbed areas remaining idle for more than thirty (30) days shall be stabilized to the ACC'S and Burke County's satisfaction.
- 13) Measures shall be taken to control sediment and retain it within the project area. Sediment in runoff water shall be trapped and retained within the project area using approved measures. Approved measures shall protect very poorly drained soils and surface waters within the project area as identified by the United States department of agriculture's soil survey of burke county.
- 14) All temporary erosion and sediment control measures shall be removed after final site stabilization.

In order to ensure the effectiveness of a particular Lot Owner's erosion control measures, the ACC shall have the right to enter any Lot to inspect any and all erosion control measures and to require additional erosion control measures, as necessary.

2.6. Drainage

Drainage considerations for individual Lots play an important part in the ecological balance of the community. Generally, where feasible, each Lot should be graded so that all water draining from such Lot does not drain onto any adjoining Lots. Water runoff for each individual Lot can possibly be handled by adequately sloping all areas so that runoff can be directed to the natural drainage areas or storm drainage facilities. Water runoff and control is the responsibility of each Lot Owner relative to such Owner's Lot. The water runoff shall be handled in such a manner as not to adversely affect any neighboring Lots or the Lake. Particular care must be taken on Lots fronting the Lake and other amenity areas.

Building Plans and Specifications for any Lot shall include a conceptual drainage plan for such Lot.

3. ARCHITECTURAL DESIGN

3.1. Architectural Style

The intent of the Architectural and Design Guidelines is to encourage the excellent design of a community of individual residences which, when viewed together, produce an outstanding total community environment. It is not the intent of the Architectural and Design Guidelines to dictate a particular architectural style, but rather to provide Lot Owners and their architects with a set of guidelines that will foster an attractive community.

The residential architecture at SouthPointe should work in harmony with the natural features of the surrounding terrain. Traditional architectural styles are preferred as the basis or foundation of the design. However, contemporary interpretations of traditional designs are acceptable, provided they adhere to the criteria of the Architectural and Design Guidelines. The designs employed shall be compatible with traditional architectural styling in terms of make, shape, profile, scale, and proportion.

3.2. Quality Design Features

The homes in SouthPointe should reflect the individuality of their owners while adhering to the principles of fine architecture. The following considerations are among those to be addressed when developing the architectural design for Improvements to be constructed on a Lot.

- 1) The residence shall be located on the Lot with minimum disruption to the natural topography, vegetation, and unique site features.
- 2) There shall be a consistency in the site planning, architecture, and Landscape Improvements.
- 3) Sensitive interpretation of the architectural style is encouraged within the constraints of budget and site.
- 4) A consistent scale shall be used throughout the design of the residence and other Improvements, with each element designed in proportion to the other design elements.
- 5) The various building materials shall allow for a pleasing and harmonious exterior appearance for the residence and other Improvements. Building materials shall be used logically.
- 6) Appropriate colors shall be used, and colors shall be used with restraint.
- 7) The main dwelling entrance shall be located in a position of prominence that is reflected in the design of the facade. The main entry shall be sheltered on the exterior and shall include attractive front entrance treatment. The main entry shall contain more architectural detail than other openings and entries but all openings and entries shall be consistent in styling.
- 8) Consistency of detailing on front elevations shall be maintained. Windows and doors shall reflect restraint in the variety of types, styles, and sizes. All front openings shall be accented with the use of shutters, flat or arched lintels, projecting sills or relief surrounds.
- 9) Bay windows shall be carried down to grade or visual support of any cantilevered conditions must be expressed. When bay windows are stacked in a two-story configuration, the blank panel between all facets shall be accented.
- 10) Masonry or stucco used as a veneer material on the facade of a residence shall continue around the front corners of such residence to a logical point of termination.
- 11) No roof shall extend continuously to cover both single and two-story sections of a residence. The primary objective of this architectural guideline is to avoid the appearance of a single-story facade with a two-story rear elevation.
- 12) The main roof is encouraged to have a minimum of six (6) vertical to twelve (12) horizontal. Alternative roof designs may be considered. Roof shapes and configurations shall be planned to avoid complex, awkward, or odd roof designs.
- 13) All roof structures, such as attic vents, plumbing vents, etc. shall be treated or painted black, except that flashing applied to vertical surfaces may be painted to blend with the vertical materials where more appropriate.
- 14) Gutters and Downspouts shall be used on all eave lines, unless deemed inappropriate.
- 15) All exterior utility service connections must be provided in unobtrusive and inconspicuous locations. All electric meters and main fuse boxes must be positioned away from view. This may be accomplished by providing an enclosed recess in the side of the dwelling or through approved Landscape Improvements and/or screening.
- 16) Exposed electrical equipment, stubouts, conduit, drain lines, pipes and vents must be painted to match the color of the home. Exterior disconnects for air conditioning equipment, etc. shall be mounted at the lowest point allowed by applicable building codes.

- 17) Gas meters must be adequately screened with Landscape Improvements to conceal equipment from view.

4. DESIGN CRITERIA

4.1. Dwelling Types

Each Lot may contain only one detached single-family private dwelling and one private garage for not less than two (2) vehicles and only such other accessory structures as are approved in advance in writing by the ACC.

4.2. Dwelling Size

The square footage requirements set forth below are for enclosed finished or improved floor area and are exclusive of the areas in unfinished or unimproved basements, vaulted ceiling areas and attics, unheated porches of any type, attached or detached garages, porte-cocheres and unheated storage areas, decks and patios.

Any dwelling erected upon any Lot shall contain not less than the following heated floor areas:

	Minimum Total <u>Heated Area</u>	Minimum Ground <u>Floor Heated Area</u>
4.2.1. Waterfront Lots.		
1 Story	1,800	1,800
1 1/2 Story	2,100	1,400 main floor
Bi-level, tri-level	2,100	1,600 main floor
2 Story, 2 1/2 story	2,200	1,100 main floor
Rear Walkout	2,200	1,400 main floor
4.2.2. Off Water Lots.		
1 Story	1,600	1,600
1 1/2 Story	1,900	1,300 main floor
Bi-level, tri-level	1,900	1,400 main floor
2 Story, 2 1/2 story	2,000	1,000 main floor
Rear Walkout	2,000	1,200 main floor

Notwithstanding the foregoing requirements, the ACC shall have the right (but not the obligation), because of restrictive topography, lot dimensions or unusual site related conditions or other reasons, to allow variances from such minimum square footage requirements of up to ten percent (10%) of such minimum square footage requirements by granting a specific written variance.

4.3. Maximum Dwelling Height

No dwelling erected upon a Lot shall contain more than two and one-half (2 1/2) stories above ground level; provided, however, the ACC shall have the right (but not the obligation), because of steep topography, unique Lot configuration or similar reasons, to allow dwelling heights greater than two and one-half (2 1/2) stories on rear and side elevations.

4.4. Ceilings

Interior ceiling heights in dwellings constructed on Lots are recommended to be a minimum of nine (9) feet on the first (i.e. street grade) floor and a minimum of eight (8) feet on all other floors.

4.5. Garages

Every house must have an enclosed garage for not less than two (2) vehicles and not more than three (3) vehicles.. Garage openings may not face the front elevation street unless approved in advance in writing by the ACC; and such approval will be given by the ACC only where particular hardship would otherwise result because of Lot size, configuration, topography, or other circumstances deemed sufficient by the ACC.

The placement of garages and driveways has a great effect on the overall aesthetics of the street scene and on the architectural appeal of each specific residence. A street scene with emphasis on residences instead of garages and driveways is more visually interesting. For that reason, certain garage placements on a Lot are discouraged.

In cases where a front entry attached garage must be used, recessing the garage from the remainder of the residence diminishes the adverse impact of the front entry garage on the street scene and keeps the residence from appearing to be composed of almost entirely the garage. Therefore, in cases where Lot size does not allow a side entry garage, a minimum thirty-six (36) inch

offset of the front entry garage from the major facade of the house is required, and a greater recess distance [up to a maximum of ten (10) feet] is encouraged. A porte-cochere that does not extend past the major building facade, and is constructed of the same building materials as part of the house, is allowed.

Garage doors are required for all garages, and the garage doors must be paneled and/or detailed to provide appropriate scale. Single bay garage doors are preferred over double width garage doors. Front entry garages must use single paneled doors. Carports will not be allowed. For side entry garages, adequate screening of the garage opening and the garage doors must be provided (to minimize the view of the garage opening and the garage doors from the street) by the use of either Landscape Improvements, a wall, fencing, or a combination of these elements. The garage turnaround area must provide a minimum twenty-four (24) foot back-up distance, with an additional two (2) foot buffer between the edge of the driveway and the Lot boundary line (i.e., there must be a total minimum distance of twenty-six (26) feet between the garage opening and the adjacent side Lot boundary line).

4.6. Exterior Materials and Colors

Exterior materials shall be brick, stucco, stone, cedar shake or horizontal siding. When there is a change of material from front to side, front veneer material must be wrapped to cover 24" of the adjoining side. The practical exception to this would be a cedar shake and lap siding combination. Architectural features such as quoin-corners are encouraged. Horizontal siding used must be fully back-supported to maintain a straight and even outer surface and must be fully and properly finished. Imitation stone or brick-like materials are generally discouraged and may be used only upon prior written approval of the ACC. Homes constructed on Waterfront Lots shall use the same or similar exterior materials on all sides of the structure. The ACC reserves the right to require builders to produce sample boards of colors if they are not on file with the ACC.

4.7. Roofs

Roofs and roof pitches shall be in proportion to the overall size and shape of the house. Except as specifically approved otherwise in writing by the ACC, the desired minimum roof slope for the main house structure may be six (6) vertical to twelve (12) horizontal. Acceptable roofing materials are (i) wood shingles, (ii) wood shakes, (iii) natural or man-made slate, (iv) tile or (v) minimum twenty-five (25) year warranty, variegated (not solid) color, dimensional architectural (sculpted) style composition (fiberglass) shingles. All specific roof materials to be used must be approved in writing by the ACC as part of the final Building Plans and Specifications prior to commencement of construction.

Roof vents, roof power vents, plumbing vent pipes and skylights will not be permitted on roofs visible from any street, unless approved in advance in writing by the ACC. Roof vents, roof power vents, rain diverters, skylight housings, plumbing vent pipes and non-copper flashing shall be painted to blend with the roof shingles, except that flashing applied to vertical surfaces may be painted to blend with the vertical materials where more appropriate.

Eave lines shall align whenever possible. Eaves and rakes shall be accented by multiple fascia boards, cove and crown moldings or gutters.

4.8. Windows and Shutters; Doors

Windows shall generally be the same type and style all around the house. Thermal pane windows are preferred, and exterior storm windows generally will not be permitted. Wood windows are preferred; however, vinyl windows will be considered, provided the style and profile are visually similar to wood windows. Shutters are encouraged and shall fit the proportion and shape of the windows. All windows and doors shall have caps of soldier course brick jack arches, wood caps or other approved decorative treatment, and no running bond brick will be permitted over any door or window of a front elevation. No window or door casing or decorative treatment shall abut any frieze board. If decorative molding (e.g. dentil molding) is desired, it shall be run in a consistent manner around the perimeter of the home. Gables may be exempted from this.

4.9. Chimneys

Chimneys shall be full foundation based and constructed of brick, stone, stucco or other material approved in writing in advance by the ACC. Chimneys shall have a design and location, and shall be constructed of a material that is appropriate to the house. Exposed metal flues and wood chases shall not be used. Chimney cap covers are required for prefabricated metal flues. Direct vent fireplaces are discouraged if the location is a side elevation; and direct vent fireplaces shall be allowed only on the rear side of a residence constructed on an Off Water lot (unless otherwise approved in writing by the ACC) and shall not be permitted on a front elevation or on any elevation that is visible from the Roadway(s).

4.10. Porches and Decks

Porches and decks shall be designed with substantial, well proportioned railing, flooring and support posts meeting applicable building code requirements. Individual deck support columns that are 5' or more in height from finished grade should be

constructed of two six by six (6" x 6") treated posts placed side by side with a 3" gap, or one eight by eight (8" x 8") treated post, or single masonry piers. Porches and decks may not be constructed outside of the building envelope setbacks unless approved in writing by the ACC.

4.11. HVAC Equipment

No air conditioning or heating equipment or apparatus shall be installed on the ground in front of, or attached to any front wall of, any residence on a Lot. Additionally, air conditioning and heating equipment and apparatus shall be screened from view from streets and the Lake by Landscape Improvements, as more particularly provided in the Landscape Guidelines herein.

4.12. Attachments; Satellite Dishes and Antennae

No permanent attachment of any kind or character whatsoever (including, but not limited to, television and radio antennae, solar energy-related systems, satellite or microwave dishes or similar improvements) shall be attached to the roof or exterior walls of any building on any Lot or otherwise placed or maintained on any Lot, unless such attachments or devices are approved in advance in writing by the ACC. Notwithstanding the above to the contrary, one satellite or microwave dish may be installed on each Lot, except that one (1) dish or disc not exceeding (1) meter in diameter or diagonal measurement for receiving direct broadcast satellite service ("DBS") or multi-point distribution services ("MDS") may be erected and maintained on each Lot. No roof-mounted antenna, dishes, or discs shall be permitted on any Lot if adequate broadcast reception can be obtained without mounting such equipment on the roof of the house; provided, however, that if such roof-mounted equipment is required, no antenna or related structures may be mounted on masts exceeding twelve (12) feet in height above the highest roof line ridge of the house. Any dish, disc, or antenna (with associated mast) shall be reasonably camouflaged and screened from the view from the Lake, the Roadways, and shall not be located in the areas between the street right-of-way line and the minimum building setback lines applicable to the Lot. The location and screening of the satellite or microwave dish (which, as stated, shall be one (1) meter or less in diameter) must be approved in writing by the ACC prior to installation (see Schedule N).

4.13. Mail and Newspaper Boxes

All mailboxes and newspaper boxes must be of a standard color, size and design as approved by the ACC. In general, the size and design of all mailboxes and newspaper boxes should be substantially similar to those shown in Schedule P attached thereto. For clarification on what is considered "substantially similar", examples must be submitted to the ACC, usually in the form of a picture or brochure, to review prior to installation.

4.14. Pools, Therapy Pools and Spas

The size, shape and setting of pools (including standard swimming pools, therapy pools and spas) must be carefully designed to be compatible with the surrounding natural and man-made environment. In locating swimming pools, therapy pools and spas, the following shall be considered:

- 4.14.1. Indoor/Outdoor relationship;
- 4.14.2. Setbacks imposed by the applicable Building Envelope;
- 4.14.3. Views both to and from the pool area;
- 4.14.4. Terrain (grading and excavation); and
- 4.14.5. Fencing and privacy screening.

Except as provided herein, pools, decks and related equipment will not be allowed outside of the Building Envelope area. Provided, however, pool decks may encroach into the setback area imposed by the Building Envelope on Lots that are not contiguous with the Lake if such deck is either at or within two (2) feet of natural grade and no closer than ten (10) feet to any Lot boundary line. Pool and pool equipment enclosures must be architecturally consistent and harmonious with the residence and other structures on the Lot in terms of their placement, mass and detail. Pools, decks and related equipment and pool and pool equipment enclosures shall be screened or treated so as to avoid distracting noise and views.

4.15. Exterior Lighting

Exterior lighting (which must be approved by the ACC as part of the Building Plans and Specifications) must be limited to areas within the Building Envelope (unless otherwise approved in writing by the ACC), must not result in excessive glare and must not interfere with the privacy of nearby dwellings, all as determined by the ACC in its sole discretion.

4.16. Docks, Piers, Boatslips and Seawalls

See Sections 9 and 10 of the Lake Buffer Guidelines for detail on the construction of Docks, Piers, Boatslips, and Seawalls.

4.17. Play Equipment

Unless part of a common area, swing sets and similar outdoor play structures and equipment should generally be located where they will have a minimum impact on adjacent Lots. Such play equipment will be located within the middle third of the lot.

All play equipment must have ACC approval before being erected (see Schedule N attached hereto). All play equipment should be constructed of wood and colors should be earth tones, i.e. dark greens, browns, tans, to blend with surrounding environs.

4.18. Fences and Walls

Walls and fences shall be considered an extension of the architecture of the residence and a transition of the architectural mass to the natural forms of the Lot. All wall and fence designs shall be compatible with the total surrounding environment. Special consideration must be given to design, placement, impact and view of the wall or fence from neighboring Lots. Fences and walls shall be considered as design elements to enclose and define courtyards, pools, and other private spaces, provide security and relate building forms to the landscape. Fences and walls should be installed or curved where practical between existing trees to avoid unnecessary cutting of existing trees. The location, materials, size and design of all fences and walls must be approved in advance in writing by the ACC prior to installation (see Schedule N attached hereto).

No fence or wall (including for this purpose densely planted hedges, rows, or similar landscape barriers) shall be erected, placed, or maintained on any Lot nearer to any Roadway fronting such Lot than the rear building corner of the main dwelling constructed on such Lot (unless otherwise approved in advance in writing by the ACC). No fence or wall shall be erected, placed or maintained on a Lot in a location that will substantially obstruct views of the Lake. Fences and walls shall not exceed six (6) feet in height.

A retaining wall that is attached to the residence on a Lot shall utilize the same materials as the residence wall that it adjoins, if visible from the street. Cross-tie timber walls may be used for retaining walls if set apart from the residence.

4.19. Outbuildings

The construction and location of outbuildings (gazebo, potting shed, storage shed, statues, gates, playhouses, etc.) shall be subject to the review and approval of the ACC (see Schedule N attached hereto). Their design and location in relationship to the house is essential. Wherever possible, buildings should be oriented so that access is indirect and their opening does not face the street.

Plans and architecture of outbuildings shall be submitted to the ACC for review and approval, prior to being shown on landscape plans. Approval of the landscape plans does not constitute approval of any outbuildings.

4.20. Remodeling and Additions

A Lot Owner desiring to remodel existing Improvements and/or to construct additions to existing Improvements is required to follow the Guidelines to the same extent as if such remodeling or addition were new construction. All criteria governing site location, grading and excavating, structures, roofs, landscape, colors and aesthetics will apply to remodeling and additions to the same extent as to new construction. Possible future Improvements or additions that will be of particular concern to the ACC are skylights and solar collectors, recreational features, lighting, antennas, satellite television, and new colors. An approval from the ACC is required for remodeling and additions just as it is for new construction.

As set forth in the Declaration, the Board (i.e., the board of directors of the Owners Association) may hereafter create and establish an Architectural Changes Committee (the "Changes Committee") to review and approve Building Plans and Specifications for all renovations, changes and additions to existing Improvements on Lots. In the event the Board acts to create and establish the Changes Committee, with regard to renovations, changes and additions to existing Improvements on Lots, the Changes Committee shall have all rights and powers that are reserved to the ACC in the Guidelines.

5. MISCELLANEOUS MATTERS

5.1. Diligent Construction

All Homesite Improvements to be constructed on a Lot must be completed within one (1) year following commencement of construction (i.e., commencement of grading) of the first of such Improvements, unless a longer time is approved in writing by the ACC.

All Waterfront Improvements (including Dock & Pier, and Shoreline Stabilization) shall be completed in a time frame approved by the ACC at final approval of improvements. If Construction activity ceases for a period of thirty (30) days, area is to be stabilized to the ACC's satisfaction.

5.2. Purpose and Use of Landscape/Construction Escrow Deposit

The Construction Escrow Deposit that is required to be provided to the ACC by each Lot Owner pursuant to Sections 1.5, 5.2 and 7.2 herein shall be payable to "SouthPointe Owners Association" and deposited by the Association in an interest bearing account in the name of the Association with interest accruing to the benefit of the Association. The Construction Escrow Deposit paid by an Owner may thereafter be used by the ACC for any of the following purposes:

- 5.2.1. To pay for the cost to repair any damage to the Roadways or Common Areas in SouthPointe caused by the Owner or the Owner's builder or subcontractors and not repaired by the responsible Owner or such Owner's builder or subcontractors.
- 5.2.2. To reimburse SouthPointe Owners Association for the cost of cleaning up any significant amount of dirt, cement, or debris left by the Owner or by the Owner's builder or subcontractors on any street, if and to the extent such materials and debris is not immediately removed by the Owner or the Owner's builder or subcontractors.
- 5.2.3. To pay for the cost of enforcing any of the Owner's other obligations under the Guidelines or the Declaration.
- 5.2.4. To pay any other costs, fines or expenses which, by the express terms of the Guidelines, may be deducted from the Construction Escrow Deposit. Except for the reimbursements described in section 5.2.2 above and except for the application of the Construction Escrow Deposit in accordance with the express terms of other provisions in the Guidelines, the ACC shall give an Owner prior notice that the ACC intends to use such Owner's Construction Escrow Deposit for a particular purpose. Such Owner thereafter shall have twenty-four (24) hours from the date of the notice to complete the performance that is required and for which the ACC intended to use such Owner's Construction Escrow Deposit or, if the performance cannot be completed during that time, to begin the performance and to thereafter diligently pursue such performance to completion. Upon the completion of all Improvements and all Landscape Improvements and the performance of all other obligations by an Owner pursuant to the terms of the Guidelines and the Declaration, the ACC shall return to such Owner the unused portion (if any) of such Owner's Construction Escrow Deposit.

In the event the ACC expends sums on the Owner's behalf as provided above in excess of the Owner's Construction Escrow Deposit, the Owner shall pay the excess to the ACC within twenty (20) days of notice thereof. Any and all interest earned on the Construction Escrow Deposit shall be credited to and retained by the HOA for its sole use and benefit.

All notices given to a Lot Owner or a Lot Owner's Builder will be given in accordance with Section 5.3 and the attached Schedule B-1, to be submitted prior to the construction of Improvements on any lot.

5.3. Notices

Each notice, document or submittal (collectively, "notice") required or permitted to be given under the Guidelines must be given in compliance with the requirements of this section.

- 5.3.1. Each notice shall be in writing.
- 5.3.2. Any notice to be given to the ACC shall be deemed to have been duly served and to be effective only when a receipt acknowledging such delivery (such as a registered mail, overnight express service or hand delivery receipt) is signed by a member or authorized representative of the ACC. The address of the ACC for delivery of notices hereunder shall be as follows:
- 5.3.3. Any notice to be given to an Owner shall be deemed to be duly served when picked up by the Owner (or the Owner's builder, as the case may be) at the ACC's office or when delivered to the Owner's address (or the Owner's builder's address, as the case may be) by regular U.S. Mail Service (such delivery being presumed to have occurred on the second (2nd) day following the deposit of such notice by the ACC in the U.S. Mail) or when sent by facsimile to the

Owner's facsimile number (or the Owner's builder's facsimile number, as the case may be) such delivery being presumed to have been duly served on the day same is sent by the ACC. The address of an Owner (and facsimile number, if applicable) shall be as set forth in the Owner's submittal of preliminary Building Plans and Specifications, or, if different, then as set forth in the Owner's submittal of final Building Plans and Specifications.

- 5.3.4. Either the ACC or an Owner may change its address (or facsimile number, as the case may be) for notices hereunder by written notice to the other party designating the new address, such written notice of the changed address (or facsimile number, as the case may be) to be given to the other party in accordance with this Section.

5.4. Sewer Pump Maintenance Program

The maintenance program is administrated by the owner's association. McCall Brothers, Charlotte, NC, is the company that does the initial installation directly for the homeowner and oversees the pump maintenance program for SouthPointe.

6. PRESERVATION OF EXISTING TREES

The existing trees at SouthPointe are a prized natural amenity which adds value to the community in a multitude of ways. Crescent Resources, LLC has exercised care to retain as much of the existing vegetation as possible in the design of the land plan for SouthPointe; and it is expected that Lot Owners and home builders and contractors of the Lot Owners will continue to preserve and protect this valuable resource during the course of construction.

6.1. Applicability- All trees are considered protected

- 6.1.1. Lake Buffer Areas - The "Lake Buffer" is defined as a 100' Minimum Setback from the 1200' contour on waterfront lots.
- 6.1.2. Building Envelopes - All areas outside the Lake Buffer Areas. Clearing may be conducted only as needed for construction and agreed upon at the site inspection (defined in Section 1.6). All trees remaining after such clearing are subject to protection and preservation as outlined in this Section 6.

6.2. Owner Responsibilities

Each Lot Owner shall be responsible for ensuring that such Lot Owner's general contractors and subcontractors adhere to the requirements of the provisions in the Guidelines (including the provisions in the Lake Buffer Guidelines) pertaining to the protection and preservation of existing trees outside of the homesite, driveway corridors, and septic areas. The individual special assessment will be used by the ACC if, in the sole discretion of the ACC, the provisions in the Guidelines (including the provisions in the Lake Buffer Guidelines) pertaining to the protection and preservation of existing trees are not followed and result in the destruction of or severe damage to otherwise healthy and desirable existing vegetation.

The Owner's Association may employ the services of a qualified arborist and/or landscape architect (at the Lot Owner's expense as a Special Individual Assessment levied under the Declaration) to analyze the condition of existing trees and to assist the ACC in monitoring adherence to the provisions in the Guidelines pertaining to the protection and preservation of existing trees.

6.3. Tree Protection and Preservation Procedures

It is recommended that a qualified arborist or Landscape Architect shall be consulted by each Lot Owner or such Lot Owner's builder for an on-site evaluation of the existing trees prior to, during, and after construction. In addition, the following plan of protective measures is recommended to be followed by the Lot Owner and the Lot Owner's builder to ensure the protection of existing trees that are intended to remain on the Lot following the construction of Improvements thereon.

- 6.3.1. All healthy, individual existing (as defined in Section 1.6 and Section 9 here of) and all groups of trees comprising a "tree save area" must be identified with blaze-orange flagging tape prior to any clearing, grading or other construction activity is commenced on the Lot.
- 6.3.2. Having identified the existing trees to be protected, stakes identifying the "drip-line" of such trees must be erected before any clearing, grading, or other construction activity is commenced on the Lot. Such staking must stand erect, completely enclosing the tree or trees, and must be maintained erect and in good condition until the installation of the Landscape Improvements is completed in accordance with the Landscape Guidelines. The Lot Owner is responsible for ensuring that such staking remains intact and in good condition throughout the construction process. (See Figure 3)
- 6.3.3. Keep trash, construction debris, fires, chemical liquids and stored construction materials out of the staked trees.
- 6.3.4. Stored construction materials shall be located no closer than ten (10) feet to the tree drip-line.

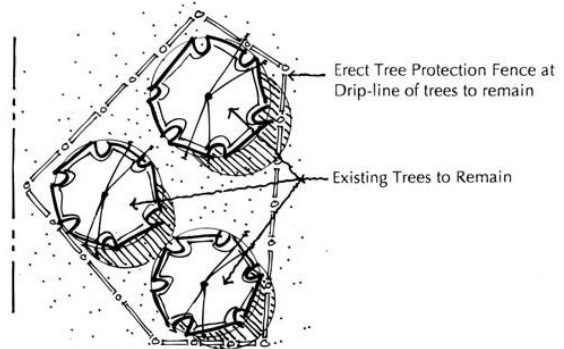


Figure 3 Tree Boundary Protection (para. 6.3.2)

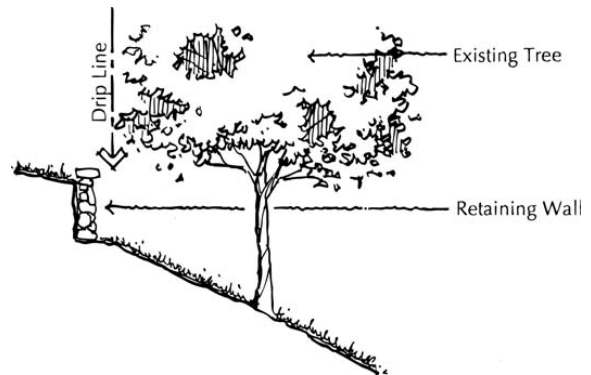


Figure 4 Tree Protection – retaining Wall (para. 6.3.5)

- 6.3.5. When changes in grade are required near existing trees, erect a retaining wall or walls outside the “drip-line” of the existing trees, to preserve the existing grade around the tree. Supply supplemental water and/or deep-root fertilization, as recommended by the arborist, to ease the stress of possible root loss due to grading operations and the construction of retaining walls. (See Figure 4).
- 6.3.6. In some instances, the ACC may require additional tree protection measures to ensure the preservation of especially valuable existing trees.

Please refer to the Lake Buffer Guidelines regarding requirements and restrictions relating to tree and vegetation protection and removal within the Lake Buffer Areas.

6.4. Tree Repair Procedures

When trees are inadvertently damaged during construction, the Lot Owner shall retain a qualified arborist to make the necessary repairs. The following tree repair measures shall be taken by the arborist (as deemed appropriate by him or her) subsequent to his or her thorough inspection of the damaged area and determination as to the severity thereof.

- 6.4.1. Tree trunks scarred during the construction process shall be treated immediately. The scarred area must be properly cleaned. Any and all torn bark and/or ragged edges shall be cut cleanly away, and the wound shall be shaped into an ellipse where possible. (See Figure 5.)
- 6.4.2. Limbs or branches damaged by construction operations shall be removed. Clean cuts with sharp pruning tools are to be made at the nearest lateral branch or flush with the trunk for major limbs. (See Figure 6.)
- 6.4.3. If, during or after construction, minor root damage is observed, reducing the crown by as much as thirty percent (30%) during the appropriate season of the year may be advisable. Crown reduction by pruning several of the small to medium-sized branches will reduce the demand on the damaged root system, thereby increasing the tree’s prospects for survival and eventual full recovery.

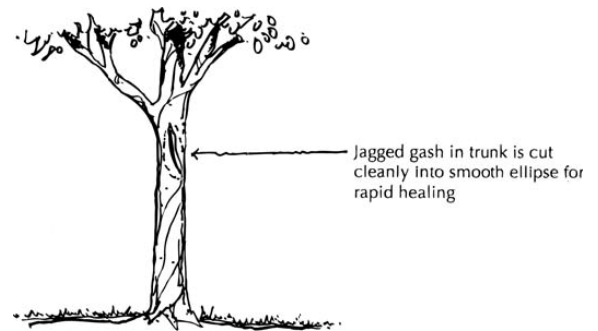


Figure 5 Tree Repair - Scarred Trunk (para. 6.4.1)

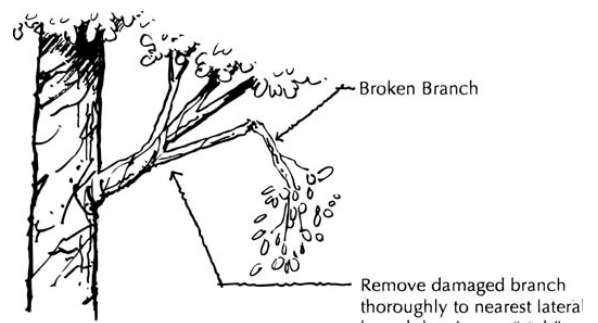


Figure 6 Tree Repair - Broken Branch (para. 6.4.2)

6.5. Tree Valuation for Damaged or Destroyed Trees

Tree Valuation Schedule and Reimbursement Obligations Relating to Damaged or Destroyed Trees.

With the care given to protecting and preserving existing trees as outlined above and as set forth in the Lake Buffer Guidelines, there should be little or no damage to trees during the course of construction on any Lot. However, accidents and possibly even negligence on the part of contractors and/or subcontractors will likely occur to some limited degree, resulting in the destruction of existing trees intended to remain on the Lot after the completion of construction of the Improvements thereon. The Tree Valuation Schedule, set forth in Figure 6.5.1, next page, will be used to place an appropriate monetary value on any and all such existing trees severely damaged and/or destroyed within the tree preservation areas. Quantifying the value of existing trees will provide each Lot Owner with a method for calculating the proper amount of reimbursement such Lot Owner must pay to the Association upon written request as a result of the irreparable damage to, or destruction of, existing trees caused by a contractor's or subcontractor's construction operations on the Lot. The Association shall use the reimbursement amount to rehabilitate, restore and/or replace, as appropriate, the damaged or destroyed trees to the extent practicable. Any of the reimbursement amount not used for this purpose shall be retained by the Association. For purposes of the Tree Valuation Schedule, the tree's trunk diameter is measured at thirty-six (36) inches above existing grade level. Trunk diameters that fall between any two sizes presented in the Tree Valuation Schedule shall be assigned a value calculated proportionally.

A qualified arborist and/or landscape architect, at the Lot Owner's expense, shall evaluate the quality of the damaged or destroyed tree(s), as they would have existed prior to their being damaged or destroyed. The Tree Valuation Schedule (Figure 7) shall be used to determine the replacement value.

6.6. Replacement of Damaged or Destroyed Trees

The Owner's Association, or the ACC as its agent, in its sole discretion, may require the planting of additional trees as a result of disturbance, damage, or destruction of existing trees on individual lots. In this instance, a re-planting plan, a separate document from the Landscape Plan, may be requested by the ACC, detailing the size, type, and location of replacement vegetation. All vegetation planted for the purposes of replacement must be guaranteed for one year after installation. Any vegetation that is noted as dying, dead, or otherwise in poor health at the end of its first installation year will be required to be replaced. If such trees are replaced, the newly installed trees will also be subject to an additional one year guarantee requirement.

In general, replacement trees must be planted expediently once the violation has occurred and the replacement planting plan has been approved. The ACC may grant, during times of extreme weather conditions, that replacement tree planting be postponed until such time as weather conditions are optimum for planting. A formal request, in writing, must be given to the ACC once the replanting plan has been approved. The ACC will review the request in accordance with Section 9.2 of the Landscape Guidelines. If the ACC grants a postponement, failure to install the buffer mitigation trees by the agreed upon date will result in a minimum fine of the actual installed cost of the buffer mitigation trees as previously agreed upon as per the approved Buffer Mitigation Plan, assessed against such Lot (as a lien), and shall constitute a personal obligation of the applicable Lot Owner.

For trees to be placed within the Lake Buffer Areas, all trees installed as part of a buffer mitigation plan will be considered "protected" regardless of caliper size.

Tree Valuation Schedule			
Trunk Diameter Inches	Cross Section Square Inches	Deciduous Tree Value	Evergreen Tree Value
2	3	\$102.72	\$89.98
4	13	\$445.12	\$389.48
6	28	\$958.72	\$838.88
8	50	\$1712.00	\$1498.00
10	79	\$2704.96	\$2366.84
12	113	\$3869.12	\$3385.48
15	177	\$6060.48	\$5302.92
20	314	\$10,751.36	\$9407.44
30	707	\$24,207.68	\$21,181.72
48	1809	\$61,940.16	\$54,197.64

This schedule is calculated using plant appraisal techniques derived from The Guide for Plant Appraisal, 9th edition., published by The Council of Tree and Landscape Appraisers and The International Society of Arboriculture, in conjunction with information provided by the Southern Chapter of the International Society of Arboriculture. This schedule may be superseded by the most current, updated, information available from future editions and / or official publications.

Figure 7 Tree Valuation Schedule

7. LANDSCAPE DESIGN GUIDELINES — REQUIRED PRACTICES

The following guidelines shall be followed by all Lot Owners and the builders, contractors, subcontractors, and architects of the Lot Owners when planning for and installing Landscape Improvements on Lots within SouthPointe. These guidelines contain specific required practices and techniques for creating an aesthetically pleasing landscape.

7.1. ACC Approval of Landscaping

All landscaping including new construction, enhancements to an unimproved lot and renovation of existing landscaping / improvements, regardless of scale must receive ACC approval prior to installation. No landscaping may be installed without ACC approval of the design and the timeframe. A landscape design application to the ACC requires 3 copies of the drawings that are accurately proportioned, and preferably drawn to scale, completely and legibly convey the design, identifying all areas affected and an itemized materials list (vegetation and hardscape, material type, size, quantity, and color) to be used, and a Schedule C (Application for Landscape Approval).

New construction must submit an application for landscaping approval by the time that the house is “dried in” (the interior of the house is mostly protected from the weather by having felt on the roof and most of the doors and windows installed).

7.2. Landscape Plan

All improved or modified Lots in SouthPointe are required to have landscaping installed that is suitable to the type and location of community that SouthPointe is. Lot Owners in SouthPointe are required to landscape and maintain the landscaping to fulfill their requirements to the community, the Lake, and their own investment:

- 1) To be visually attractive and cohesive as a community;
- 2) To blend the Lot improvements into the surrounding environment;
- 3) To protect the lake by controlling drainage toward the lake and toward the roads, where catch basins normally direct the water to the Lake;
- 4) To preserve as much original foliage and ground cover as possible.

Landscaping should suit the location of the community – an upscale western North Carolina lakeside residential community by:

- 5) Using native or well established suitable non-native vegetation;
- 6) Using a variety of vegetation (leafy trees/shrubs, evergreen trees/shrubs, conifers, flowering plants / shrubs / trees, ground cover, etc);
- 7) Vegetation is to be installed in non-symmetrical and non-formal patterns, becoming less formal as the distance from the improvement increases and the distance to the original vegetation decreases.
- 8) Create esthetically pleasing and interesting outdoor spaces and views.
- 9) Large areas of turf are to be avoided. Areas of vegetation that is not desirable to the Lot Owner may be removed and revegetated when approved by the ACC. The approval of clearing is based on site plan presented at the Final Design Approval application where vegetation removal / revegetation must be clearly indicated.
- 10) Vegetation beds should use curved edges to enhance the evolution from man-made to natural.
- 11) Vegetation and hardscape should be used to soften the way an improvement emerges from the grade, to frame entranceways, and to lead the eye through specific areas and to specific places on the site.
- 12) Particular critique will be applied to the “semi-public” spaces. (Section 8.9, of the Guidelines).

7.3. Time Frame

All landscaping must be installed within 6 months of the issuance by the County of the Certificate of Occupancy (CO). The ACC may grant at it’s discretion an extension based on extenuating circumstances with the submission and approval of a Landscape Plan.

7.4. Escrow

The landscaping is considered a part of the construction of improvements on a Lot. The return of the remaining escrow deposit will be reviewed by the ACC at the completion of the construction project. The request for the return of escrow must be made in writing using the Schedule E and accompanied by any other documentation required depending on the specific construction project, such as an as-built lot survey.

The ACC may return a portion of the escrow at the ACC's discretion. Specific extenuating circumstances must be present for this to be considered.

A construction escrow may be required by the ACC for approval at the ACC's discretion for landscaping not associated to the construction of a new house.

7.5. Screening of Equipment and Utilities

Screening of HVAC Units, Utility Meters, Utility Transformers, Outside Refuse Containers, Etc.

All heating, ventilating, and air conditioning units, utility meters, electric utility transformer boxes, swimming pool pump equipment, permitted satellite or microwave dishes and similar equipment, apparatus and fixtures on each Lot, including all refuse containers stored outdoors, must be screened from view from streets and from the Lake and from neighboring Lots. Plants used as screening should be maintained by the Lot Owner so that the equipment, apparatus or fixture being screened is accessible (wherever possible) by service personnel and/or meter readers. Plant materials for this purpose shall be installed using seven (7) gallon sizes, evergreen only. Recommended plant types include Otto Luykens Laurel, Schipka Laurel, Dwarf Burford Holly, Compacta Holly, Variegated Ligustrum, Wax Myrtle, and Fortunes Osthmanthus, although this is not intended as an exclusive listing. (See Figure 8)

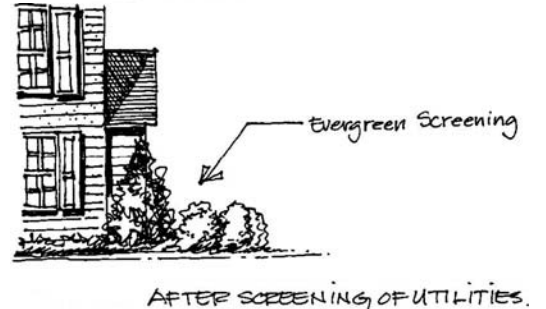
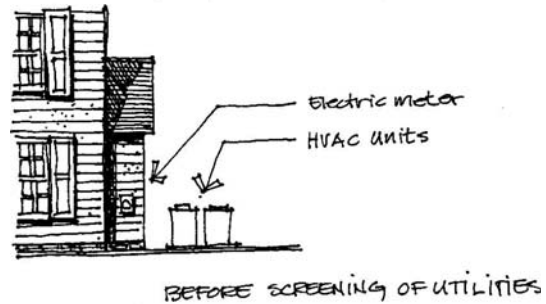
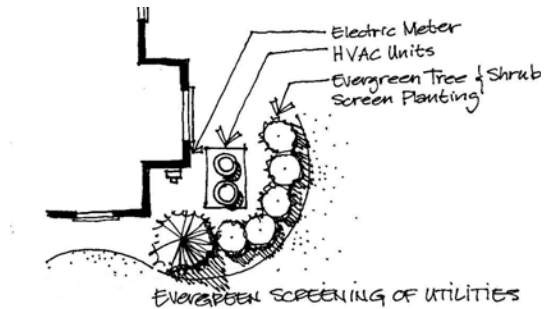


Figure 8 Screening Utilities (para. 7.5)

7.6. Driveway Location

As set forth in Section 2.3 in the Architectural and Design Guidelines, driveways shall not be located closer than two (2) feet to the side Lot boundary line.

7.7. Retaining Walls

All retaining walls must be approved by the ACC prior to construction, and the material, location, and height of all retaining walls must be clearly labeled on the final Building Plans and Specifications. Where retaining walls are located on a Lot in an area that is visible from a street, additional plant material, over and above the minimum initial Landscape Improvements planting requirements herein, will be required to screen, or otherwise “soften” the retaining wall from view at the street. Additionally, it is recommended that retaining walls that are visible from neighboring Lots and the Lake be screened and/or “softened” with plant material. Additional plant screening material required to be installed pursuant to this Section 7.7 must be installed at the same time the minimum initial Landscape Improvements are installed hereunder. (See Figure 9)

7.8. Lawn Ornaments / Bric-a-Brac

All lawn ornaments and bric-a-brac (i.e. flagpoles) constitute Landscape Improvements and therefore are subject to review and approval by the ACC (see Schedule N). Without limiting the generality of the foregoing, no such landscape elements will be permitted in the front yard of any Lot without the prior written approval of the ACC. If, in the sole discretion of the ACC, such landscape elements are incompatible with the objectives of the Guidelines, they must be removed or relocated by the responsible Lot Owner, as specified by the ACC, within ten (10) days from the date of written notification to the Lot Owner.

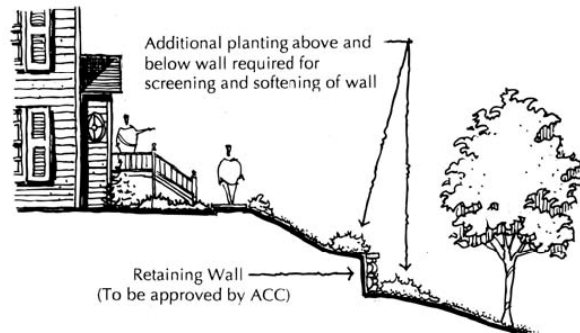


Figure 9 Screening Retaining Walls (para. 7.7)

7.9. Mulch Materials

Annual flower beds and perennial flower beds shall receive one (1) to two (2) inches of small/fine pine bark mulch. All planting beds and natural areas require a cover of two (2) to three (3) inches of mulch. Acceptable mulch materials for covering planting beds and natural areas include pine straw, pine bark nuggets, shredded hardwood mulch. Consistent use of the same mulch material for any given Lot is required. Each Lot Owner shall be responsible for replacing and maintaining mulch material on such Owner's Lot from time to time consistent with the requirements of this Section 10.5.

7.10. Walkway Layout

Walkways from the driveway to the front door or porch of the house shall be designed with smooth, flowing curves (where possible), rather than rigid straight lines. Walkways shall be at least three (3) feet wide. For walkways through the Lake Buffer Areas, see Section 10.4.

7.11. Elevated Deck and Patio Foundation Planting

Decks and patios that are elevated above ground level shall be landscaped around their perimeters with appropriately sized plant material to screen the view of the space underneath the structure. It is especially important to screen those portions which are visible from the public street (i.e. especially on corner lots with elevated rear decks).

7.12. Automatic Irrigation Systems

Automatic irrigation systems are highly recommended for all sod and plant / shrub beds. Grass and sod areas of more than 400 square feet are required to be irrigated by an underground irrigation system using focused sprinklers designed for the size and shape of the grass area. Mulched areas receiving irrigation must do so with emitters under the mulch. Besides the obvious advantage of convenience, automatic irrigation systems, when designed, installed and operated properly, should provide plant and lawn sod Landscape Improvements with the consistent watering they require to thrive. Landscape Improvements that are installed between mid-March and mid-September likely will be subjected to periods of intense heat and periods of low precipitation. Automatic irrigation systems are especially beneficial during such periods to help ensure a consistent amount, frequency and duration of watering.

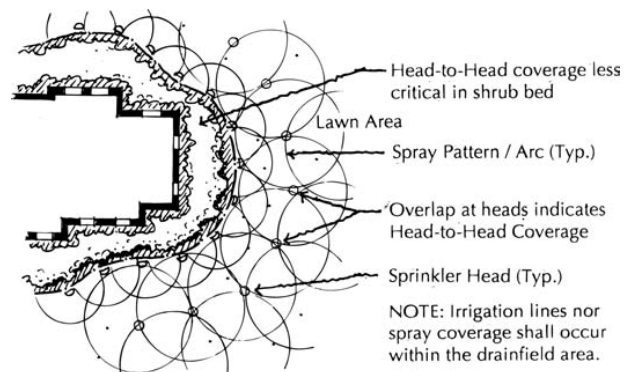


Figure 10 Automatic Irrigation System (para. 7.12)

When designing an automatic irrigation system it is recommended that lawn areas and shrub beds be placed on separate zones since the watering requirements for the two differ substantially. Also, the automatic irrigation system plan shall provide complete coverage, or “head-to-head” coverage, of all lawn areas. Without “head-to-head” coverage, lawn areas that are not covered will become brown or will suffer “brown-out.” Often this phenomenon occurs in the area immediately surrounding the irrigation system heads, where little water actually falls on the ground. Another consideration is whether or not to meter the automatic irrigation system separately from the house water system. Separate water meters can be purchased at an additional cost from governmental authority having jurisdiction over the municipal water supply. In the event a Lot Owner elects to install an automatic irrigation system on such Owner's Lot, the automatic irrigation system shall be designed and operated so that water from the system remains on the Lot being irrigated without overspraying onto adjacent Lots. (See Figure 10 Automatic Irrigation System (para. 7.12).)

7.13. Landscape Maintenance

All landscaped lots must be maintained to continue the landscaping's original installation intent through the life of the community. Maintenance may include the continuation of the landscaping as is, or modification or redesign of the landscaping. Landscaping must always meet the criteria for ACC approval and redesigns must receive ACC approval as a new landscape project.

7.14. Exterior stairs and steps on a Lot.

These guidelines for the construction of exterior stairs and steps are intended to improve the safety and aesthetics of exterior stairs and steps. Paths that negotiate areas of the site too steep for surface paths or raised boardwalks may use raised steps that are planned, submitted to and approved by the ACC. These guidelines for outdoor steps are required within the Protected Lake Buffer and are highly recommended throughout the site.

- 1) Outdoor steps must follow the terrain as closely as possible in a curving path to limit view alleys. The stringer should follow the grade within 0" to 12". Refer to Figure 11 - Exterior Stairs.
- 2) Outdoor steps have shorter risers and longer treads than the standard indoor steps, except for stairways to raised decks and porches where the riser / tread combination may mimic indoor steps. The formula: $2 * \text{Riser} + \text{Tread} = \text{between } 24 \text{ and } 25$ is to be used to calculate the correct riser and tread proportion to create steps that are easy, comfortable, predictable, and safe to walk on while following the natural terrain. The table in Figure 12 – Exterior Stair Riser / Tread Ratio shows several approvable riser / tread combinations and the slope that each would naturally follow.
- 3) Outdoor steps are not to vary the riser height / tread length combination within short distances and should be consistent for as many stair sections as possible. A change in riser height / tread length combination must be response to the terrain. The riser height / tread length combination must remain proportional according to the following table in Figure 12 – Exterior Stair Riser / Tread Ratio. The Tread length may be up to 1" shorter than listed in the table, but must remain consistent through any given flight of stairs.
- 4) The maximum riser height is 6" unless otherwise absolutely necessary.
- 5) Each tread should overlap the tread below it by a minimum of 3/4".
- 6) The vertical space between treads should be open. Open risers make the steps less obtrusive from the lake viewshed.
- 7) A 30" minimum landing is to be provided for every 12 foot of rise.
- 8) Handrails are recommended for safety, and required wherever the stair nosings and landing(s) are more than 30" off the ground. Handrails also provide an excellent place to mount HRB/ACC approvable lighting.
- 9) Support posts in the ground are to be a minimum of 8 feet apart except when absolutely necessary for a landing.

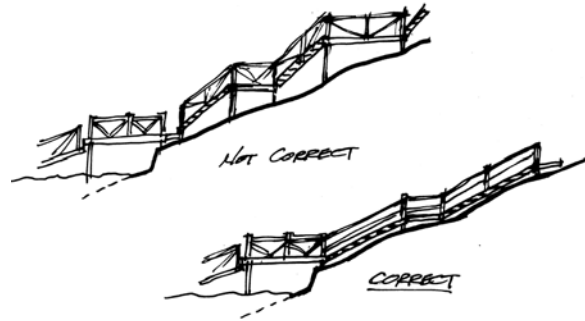


Figure 11 - Exterior Stairs

Riser Height	Tread Length	Grade Slope (±)	Angle (±)
2"	21"	9.5%	5°
2.5"	20"	12.5%	7°
3"	19"	16%	9°
3.5"	18"	19.5%	11°
4"	17"	23.5%	13°
4.5"	16"	28%	16°
5"	15"	33%	18°
5.5"	14"	40%	21°
6"	13"	46%	25°
6.5"	12"	54%	28°
7"	11"	63.5%	32°

Figure 12 – Exterior Stair Riser / Tread Ratio

8. LANDSCAPE DESIGN GUIDELINES - RECOMMENDED PRACTICES

The following guidelines are recommended to be followed by all Lot Owners and the builders, contractors, subcontractors, and architects of the Lot Owners when planning for and installing Landscape Improvements on Lots within SouthPointe. These guidelines contain specific recommended practices and techniques for creating an aesthetically pleasing landscape.

8.1. Landscape Lighting Systems

Subject to the restrictions in Section 4.15 in the Architectural and Design Guidelines, landscape lighting systems are encouraged, although approval of landscape lighting systems may be granted or denied by the ACC in its sole discretion. Landscape lighting systems shall be designed, installed and operated to enhance the architecture of the house and the Landscape Improvements on the Lot in a tasteful and subtle manner. Over lighting the house and/or landscaping shall be avoided. Landscape Lighting shall be confined to the Owner's lot only, and no direct illumination from such landscape lighting shall encroach onto any other Lot, the Waterfront, or any other location beyond the boundaries of such Owner's Lot. In general, only low voltage landscape lighting will be considered.

8.2. Foundation Planting

When designing foundation plantings, several important factors must be considered. Select shrubs that will not overgrow the location at maturity (i.e. covering windows). Select evergreen shrubs to be planted adjacent to the house foundation to provide an aesthetically pleasing appearance during all seasons, rather than deciduous plants (which shed their leaves in the winter months). Select plant types and varieties that require moderate to low maintenance and pruning. Locate foundation shrubs on either side of windows instead of directly under windows; this allows the shrubs more vertical growing room without blocking the window. Locate foundation plants far enough from the foundation of the house to allow ease of maintenance access to the house (e.g., with a ladder or to paint the wall directly behind the shrubbery). Foundation plants shall be layered from front to back, with taller plants (evergreen) at the back and successively lower plants in the front. (see Figure 13.)

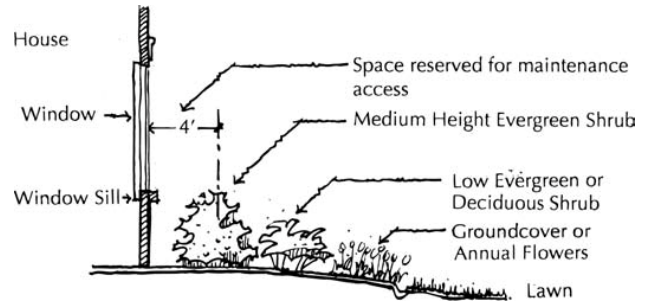


Figure 13 Foundation Planting (para. 8.2)

8.3. Corner Lots

With regard to Landscape Improvements, corner Lots shall treat both facades or elevations of the house which face the streets with equal care and consideration. Both facades or elevations are “public” sides of the house to the degree that both elevations front on a public street. Care and consideration shall be given to selecting plant material that will lend privacy to the rear yard by grouping evergreen trees and/or shrubs near the side right-of-way line. (See Figure 14.)

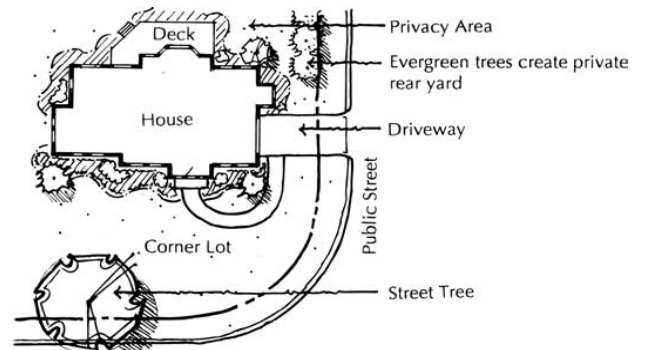


Figure 14 Corner Lot Planting (para. 8.3)

8.4. Plants as Enframing Devices

Trees and shrubs can and shall be utilized to enframe a view of the house (e.g. the front elevation). For instance, street trees located near the Lot boundary line at the street are best located near the side Lot boundary lines to create visual parameters through which to view the front of the house. This idea is further illustrated by locating evergreen trees (e.g. Nellie R. Stevens Hollies) at the front corners of the house to enframe the house with a plant material during all seasons of the year. (See Figure 15.)



Figure 15 Plants as Enframing Devices (para. 8.4)

8.5. Planting Bed Layout

Planting beds containing plant materials such as trees, shrubs, ground covers, and annual flowers shall be designed and constructed with smooth, flowing curves (wherever possible). The curves shall be broad enough to allow ease of maneuvering lawn mowing equipment along the edges of the planting beds. Consideration also should be given to the type of lawn mowing equipment that will be used (i.e. riding lawn mower or push-type lawn mower) and its minimum turning radius. (See Figure 16.)

8.6. Landscape and Architecture Compatibility

The landscape design for each Lot should enhance the architectural style of the residence on such Lot. Different architectural styles call for different landscape styles. Lot Owners are urged to hire an experienced, qualified landscape architect or landscape designer to assist in achieving such compatibility.

8.7. Fish Ponds and Fountains

Fish ponds and fountains are permitted to be installed on Lots, subject to ACC prior written approval (see Schedule N attached hereto). Professional design and installation services are highly recommended for such amenities.

8.8. Yards and Visual Importance

Any area of a Lot that is visible from a public street takes on a “semi-public” character in that the visual quality of that portion of the Lot contributes to the overall quality and character of the community at large. It is incumbent upon all Lot Owners, therefore, to landscape and maintain all such “semi-public” areas of their Lots with utmost care and consideration. Corner Lots effectively have two such “semi-public” yards due to the fact that such Lots front on two public streets.

In contrast, rear yards tend to be the private domain of the Lot Owner, allowing somewhat more flexibility in the uses of the rear yard space. However, it is the hope of the ACC and SouthPointe Owners Association that equal care and attention will be given to the landscaping and maintenance of these areas. Additionally, rear yards become more “semi-public” where they front on Common Areas, common recreation facilities or the Lake; and rear yards in these locations should always be well-maintained and adequately landscaped as “semi-public” areas.

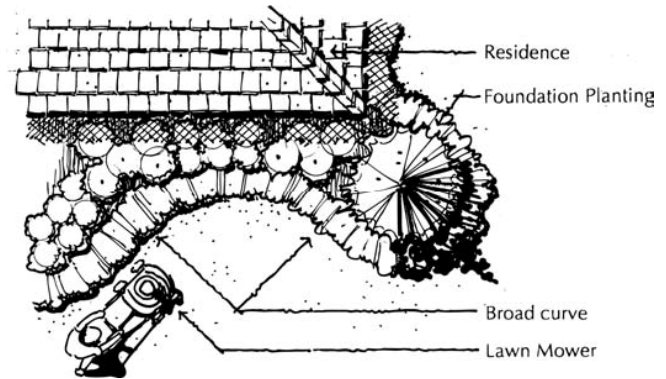


Figure 16 Planting Bed Layout (para. 8.5)

LAKE BUFFER GUIDELINES

9. LAKE BUFFER REQUIREMENTS

9.1. Introduction

In order to ensure the natural beauty and the recreational benefits of the Lake and to help preserve the quality of water in the Lake, the ACC has prepared the following Lake Buffer Guidelines for SouthPointe.

Adherence to these Lake Buffer Guidelines is intended to help preserve the high quality of water in the Lake and to preserve the natural beauty and water quality therein. The Lake Buffer Guidelines provide for a "Lake Buffer" of a 100 foot minimum distance setback from the 1200' contour around the entire shoreline of the Lake. Thus, if your Lot in SouthPointe abuts the Lake, there is a "buffer" established on it. The intent of the buffers is to implement land use restrictions which protect the Lake Buffer Areas in a "natural" state. The buffers are depicted on the recorded plat(s) for SouthPointe. In order to create SouthPointe, some work has occurred in the Lake Buffer Areas such as utility and drainage improvement construction and construction of pathways for water access. However, any disturbances thus far inside the Lake Buffer Areas have been stabilized. Any construction or modification of the surrounding environment by individual homeowners near, or in, the Lake Buffer Areas must be reviewed and approved by the ACC in accordance with the Lake Buffer Guidelines and Burke County in accordance with their ordinances, rules and regulations before commencing any such activity. Prior to approval by ACC, the contractor designated to perform the work must be approved by ACC and have gone through training by ACC.

Although the lots in SouthPointe are situated to create a relatively low density development, the construction of new streets and homes increases the rate of storm water "run-off" from rainfall. Crescent Resources, LLC through its planning and engineering consultants, has developed and received approval for a two stage plan of storm water management for SouthPointe (i.e. during construction and after construction). During construction, storm water "run-off" creates the potential for erosion and sedimentation. This potential impact on the streams and the Lake exists during the development of the streets and utility systems and continues until the last home within SouthPointe is completed. Erosion control devices have been installed as part of the SouthPointe development and will remain present until contributory areas are stabilized (as contained herein). Such erosion control devices include silt ponds which have been installed by Crescent Resources, LLC, at the outlets for storm water drainage. These silt ponds will be maintained by Crescent Resources, LLC until such time as they are removed or such time that Crescent Resources is no longer the Declarant. While the silt ponds are in operation, Crescent Resources, LLC while Declarant may remove silt from said ponds as is needed to insure their effective performance. No Owner shall disturb or interfere with the operation of the silt ponds as is needed to insure their effective performance. No Owner shall disturb or interfere with the operation of the silt ponds or any other erosion control device installed by Crescent Resources, LLC.

As construction is completed, the storm water management plan changes. At this time, storm water passes from the street curb inlet system to the underground storm drainage network. At the outlets of this underground drainage system, the concentrated flow leaving the drainage pipe is slowed down through energy dissipation, and dispersed to create a sheet flow through the Lake Buffer Areas. These permanent stone lined basins are dry until rainfall occurs, at which time, they fill an overflow uniformly to reduce the potential erosion impact to the Lake Buffer Areas. These basins are located within easements over the Lots and must be protected.

The SouthPointe project is also under the jurisdiction of The North Carolina Catawba Buffer Rules (see Schedule Q) and Burke County which is administered by the North Carolina Department of Environmental Health and Natural Resources (NCDENHR) and the Burke County Lake James Protection Ordinance (Schedule R). These rules may or may not coincide with the rules and conditions of the Lake Buffer Guidelines as promulgated and administered by the ACC. Compliance with the ACC Guidelines does not constitute compliance with or approval of NCDENHR, NC Catawba Buffer Rules, or any other governmental or regulatory agency's rules, laws, ordinances or provisions. It shall be each Lot Owner's responsibility to ensure compliance with any applicable parties or organizations and their rules, laws, ordinances or provisions.

9.2. General Requirements

There are several different Buffer classifications within the SouthPointe subdivision. These are broken down into different categories. They are as follows. All tree diameters are measured at thirty-six (36) inches above existing grade. All vegetation and ground cover in the Buffer(s) is considered protected and all changes to the Buffer require ACC approval. This section is updated to coordinate with, but not duplicate the Burke County Zoning Ordinance amended October 2008, article VII. SouthPointe buffer requirements exceed the county requirements in some instances. The county ordinance has several conditions for variances that the ACC will consider when determining ACC approval to perform work affecting the Lake Buffer(s). A Burke County Shoreline Protection Permit is required from Burke County for activities within the Lake Buffer(s).

9.3. Protected Lake Buffer

A Protected Lake Buffer measuring sixty five (65) feet upland from the 1200' contour occurs on all waterfront lots. The following activities are restricted and require written approval of the ACC or are not permitted within the Protected Lake Buffer.

- 1) No permanent structures or built-upon areas shall be permitted within this buffer.
- 2) No clearing of existing vegetation within the buffer shall be permitted except as permitted here and only with the written approval of the ACC. A revegetation plan will be required to replace trees that are removed.
- 3) Undergrowth in the form of Mountain Laurel (*Kalmia latifolia*), Rhododendron (*Rhododendron maximum*) and *Rhododendron caroliniana*) and Hemlock (*Tsuga canadensis* and *Tsuga caroliniana*) is considered protected vegetation and may not be removed.
- 4) All existing forest floor humus layers, leaf litter and soil shall remain undisturbed and intact except for the construction of foot paths. Foot paths are limited to 4 feet wide.
- 5) Grassed or lawn areas are not allowed in the Protected Lake Buffer.
- 6) Dead, diseased, hazardous, poisonous or unsafe trees, shrubs, or ground cover of any size may be removed provided a removal and revegetation plan is presented to and approved in writing by the ACC. The plan may include an advisory letter from a licensed arborist or tree expert.
- 7) Selective pruning of lateral branches of trees to provide view enhancement is permitted only if a plan is submitted to and approved by the ACC. Tree limbing is limited to the lower 50% of the tree's height or 10% of trees in the buffer.
- 8) New trees, shrubs and ground cover may be planted in the Protected Lake Buffer area to enhance existing vegetation provided there is no disturbance to the root systems of existing trees. Plans delineating the location and type of all additional plant material must be submitted to the ACC and its approval in writing must be obtained prior to planting.
- 9) In the event of catastrophic loss of vegetation (i.e. insect infestation, excessive winds, fire, etc.), all new growth will be considered protected and will be allowed to regenerate naturally.
- 10) Path surfaces must be of a pervious material, such as wood chips, mulch, or a raised, slatted "catwalk" or boardwalk and not exceed 4 feet wide.
- 11) Tree removal, thinning, pruning and planting shall be accomplished with hand tools.
- 12) No machinery is allowed in Buffer, including but not limited to, track and/or rubber-tire machinery (i.e. skid steers, loaders, track hoes, cars, trucks, [golf] carts, ATVs and utility vehicles etc.).
- 13) No topping of trees.
- 14) No stump grinding or grubbing.
- 15) No chemicals may be used to kill stumps or other vegetation.
- 16) Dense undergrowth of second growth pines may be removed or thinned with ACC approval of the tree removal and the revegetation plan.
- 17) Replacement trees and shrubs may be located anywhere within the Protected Lake Buffer.

9.4. Natural Woodland Buffer

A Natural Woodland Buffer area from 65 feet to 100 feet upland of the 1200' contour (Lake James full pond level) shall be maintained and left in its natural state. The following activities are restricted and require written approval of the ACC or are not permitted within the Natural Woodland Buffer.

- 1) Dead, diseased, hazardous, poisonous or unsafe trees, shrubs, or ground cover of any size may be removed provided a removal and revegetation plan is presented to and approved in writing by the ACC. The plan may include an advisory letter from a licensed arborist or tree expert.
- 2) Selective pruning of lateral branches of trees to provide view enhancement is permitted only if a plan is submitted to and approved by the ACC. Tree limbing may not exceed 50% of the trees height.
- 3) All existing forest floor humus layers, leaf litter and soil shall remain undisturbed and intact except for the construction of foot paths and clearing permitted by this section. Foot paths are limited to 4 feet wide.
- 4) Fallen trees may be removed with ACC approval, but stumps must remain.
- 5) Removal of trees with a diameter of 6 inches or greater is permitted to clean an opening for building construction, accessory structures, driveways, and paths. Any structure to be constructed within this buffer area must be approved by the ACC, Burke County and any other governmental or regulatory agency for the review and approval to remove any trees in this area.
- 6) Removal of trees with a diameter less than 6 inches is permitted with ACC approval.
- 7) Turf grasses are permitted, but not encouraged, and only in the vicinity of lot improvements.
- 8) No topping of trees.
- 9) No stump grinding or grubbing.
- 10) No chemicals may be used to kill stumps or other vegetation.
- 11) A residence or ancillary structure may be placed within the natural woodland buffer up to the 65 foot setback from the lake side property line as indicated on plat. Clearing for the lot improvements is limited to what is necessary for construction on the sides and upland of the improvements and not permitted below 65 foot upland from the 1200' contour.
- 12) Driveways and parking areas are not permitted within 75 feet of the 1200' contour.

10. SHORELINE MANAGEMENT

10.1. General

The design, color, location, dimensions and materials of docks, piers, boatslips, and any other structure or improvement constructed adjacent to or appurtenant to a Waterfront Lot or otherwise within the boundary of Lake James must be approved in advance in writing by the ACC. It is the Owner's sole responsibility to obtain all permits or approvals required from Duke Energy Corporation and/or other applicable agencies.

Generally, any waterfront improvement should have a low profile and open design to minimize obstruction of neighbors' views. Enclosed or two-level docks and enclosed or two-level boathouses will not be allowed.

Note: Burke County requires trees from within the Lake Buffer that have fallen over the shoreline and into the lake not be removed from the shoreline of Lake James without prior approval by Burke County and Duke Lake Management.

10.2. Docks, Piers, and Boatslips

ACC Approval and the Construction Escrow Deposit (refer to Fees on page i) are required prior to the installation of an individual dock, pier, or boatslip within the SouthPointe community (see Schedule B-1 attached hereto). Docks, piers, and boatslips must be located within the recorded pier zone and constructed such that no disturbance of the buffer occurs. The point of access of a dock, pier or boatslip and its placement must be submitted to the ACC for approval.

Docks, piers, and boatslips must be constructed of new materials, and must be compatible in style with other Improvements on the Lot (see schedule K).

10.2.1. Materials

- 1) Treated Lumber: Wood decking and handrails to be no less than Grade 1 .40 treated pine. Wooden structural components such as joists and girders shall be of no less than grade 2 .40 treated pine.
- 2) Steel: Any steel components in a marine environment shall be adequately protected against corrosion and chemical breakdown. Hot-dipped galvanizing is the most common and effective method in freshwater.
- 3) Aluminum: Construction shall be of adequate strength as to support implied dead and live loads. All aluminum components are to be sheathed in wood or an aesthetically correct ACC approved material
- 4) Vinyl: Vinyl structural components shall be of adequate strength to support implied dead and live loads. Joist spacing shall be tight enough as not to allow for decking to sag. Alternative materials are to be approved structurally and aesthetically.
- 5) Flotation: All flotation material shall be approved by Duke Energy Lake Management and be a dark color. Encapsulated PolyStyrine is the most commonly accepted flotation material.
- 6) Piles: Wood piles should be of no less than .60 treated pine. Steel piles should be protected against corrosion. Painted with an epoxy or hot-dipped galvanizing are the most common methods. If steel piles are to be used, they are required to be telescopic in type.
- 7) Hardware and Miscellaneous: All nails, bolts, screws, hangers, brackets and miscellaneous hardware items shall be hot-dipped or galvanized.
- 8) Vertical Elements: Vertical members are required to be made of treated lumber. No vinyl or plastic members are permitted.
- 9) Handrails: Treated Lumber, Metal, or Vinyl type materials are permitted, as long as they conform to the style and type of the dock improvements utilized throughout. Marine style rope may also be considered.

10.3. Shoreline Stabilization

ACC Approval and the Construction Escrow Deposit is required prior to the installation of shoreline stabilization within the SouthPointe community (see Schedule M attached hereto). Shoreline Stabilization must be located and constructed without disturbing the Lake Buffer area. Methods of stabilization will be limited to rip-rap and/or planting of "emergent" grasses which will grow in fluctuating water levels. No disturbance to the buffer is allowed. All methods must be approved by Duke Power Lake Management, Burke County, the ACC and all government agencies.

For waterfront Lots, shoreline stabilization is restricted to a number of uniform, low visual impact improvements. The following improvements may be allowed:

- 1) Biological Methods of Stabilization - Low (1' - 3' in height) herbaceous plant species that can accept dry conditions and/or shallow water depths.

Individual plant types are subject to approval from Duke Power Lake Management. Once approved, these plants can be placed in combination with netting, grids or any of a variety of other geo-binders to provide additional stabilization of the shore.

- 2) Rip Rap - Rip Rap should be placed in two (2) or a maximum of three (3) layers generally more than 14" deep total, but not upland beyond the 1202' contour.
- 3) Intentionally omitted.

All shoreline stabilization activities must take place from the water using a barge to transport and install equipment and materials.

10.4. Walkways

ACC Approval is required prior to the installation of walkways through the Lake Buffer Areas within the SouthPointe community (see Schedule N). Walkways must be located and constructed so as to not disturb the Buffer.

Common Boatslip Paths and other common areas with paths through the Lake Buffer Areas were installed and are maintained using impervious materials that are generally not permitted on individual lots, to support increased foot traffic associated with the use of such common areas.

11. HOMEOWNER RESPONSIBILITIES

11.1. General

SouthPointe, as a unique, wooded, lake front community, gains its intrinsic value from the Lake Buffer Areas. The Lake Buffer Areas are to be preserved by the homeowner in accordance with the Lake Buffer Guidelines. This does not mean that these areas cannot be entered or modified, but activities are limited and subject to review and approval.

11.2. Additional Permissible and Impermissible Activities

Recreation - The natural habitat preserved in the Lake Buffer Areas is an amenity for the homeowner and can be used for walks, nature study, and limited children's play. These areas should be shown considerate respect by limiting children's impact and not allowing play areas to cause erosion or structures (such as playhouses) to create impervious cover. Repeated, intense use could lead to denuded areas and subsequent erosion problems.

Disposal - Disposal of spent oil, chemicals (household cleaners, paint thinner, etc.), or other solids or liquids with the potential for damage into the storm drainage system or on the ground near the Lake Buffer Areas is prohibited.

Construction of Boat Piers must be permitted by Duke Power Company, and any part of the pier or access thereto which is located over the Lake Buffer Areas must be reviewed by the ACC. In addition to the specific regulations, the homeowner is encouraged to avoid the excessive use of fertilizers, pesticides or herbicides and to avoid land disturbing activities immediately adjacent to the Lake Buffer Areas.

12. CONSTRUCTION RULES

12.1. Applicability

These construction rules (collectively the "Construction Rules") shall apply to all Lot Owners and their builders, and any reference herein to an Owner shall also apply to the Owner's builder and subcontractors. All Owners shall abide by the Construction Rules and such other rules as the Board and/or the ACC may establish from time to time.

12.2. Construction Hours and Noise

All construction activities must be conducted and all deliveries must be made from 7:00 a.m. until 8:00 p.m. Monday through Saturday; provided, however, no construction activities shall be conducted and no deliveries shall be made on July 4, Labor Day, Thanksgiving Day, Christmas Day or New Years Day. Additionally, construction activities are permitted on Sundays, but such activities shall be performed in a manner as to be considered "low impact" by the ACC in its sole discretion; excessive noise and the use of heavy equipment shall be prohibited on Sundays. No loud radios or distracting noise (other than normal construction noise) will be allowed within the community during construction. This is distracting to Lot Owners. Normal radio levels are acceptable within the interior of fully enclosed homes. Radio and stereo speakers shall not be mounted on vehicles or outside of homes under construction.

12.3. Rubbish and Debris

In order to maintain a neat and orderly appearance at all times throughout SouthPointe, the following rubbish and debris rules must be strictly followed.

12.3.1. Exterior Construction Debris. With regard to all construction debris located on a Lot outside the walls of a residence that is under construction, the following rules shall apply:

- 1) At the end of each day on which work occurs on the Lot, all lightweight, blowable construction debris, such as roofing paper, insulation bags, foam sheathing, polyethylene, etc., must be placed in a silt fence pen or other approved containment device on the Lot; and
- 2) At the end of the day on each Friday, all non-blowable construction debris, such as wood scraps, shingles, brick bands, drywall, bricks and masonry blocks, must be gathered into neat piles.
- 3) Within the last three (3) days of every month, all debris must be taken off the Lot and out of SouthPointe, leaving the pens and the Lot free of all debris.

12.3.2. No Burning or Burial. Burning or burial of garbage, construction debris or vegetation is prohibited.

12.4. Street Cleaning

SouthPointe Owners Association shall have the right, without notice, to clean up any significant amount of dirt, gravel, cement, etc., left on any street if the same is not immediately removed by the responsible Owner, to charge the cost of such clean up to the responsible Owner and to receive reimbursement for the expense of such clean up from the responsible Owner.

12.5. Silt Fences

Silt fences and/or other devices for sedimentation control shall be installed where necessary or as directed by the ACC, and as shown on the approved erosion control plan.

12.6. Material Storage

No construction materials, equipment or debris of any kind may be stored on any street, curb, sidewalk or area between streets and sidewalks, on any adjacent Lots or otherwise than in the locations approved by the ACC.

12.7. Trailers

No construction office trailers may be placed, erected or allowed to remain on any Lot or in any other area in SouthPointe, except as approved in writing by the ACC.

12.8. Construction Access

During the time a residence or other Improvements are being built, all construction access shall be confined to the approved driveway for the Lot, unless the ACC approves an alternate access way.

12.9. Gravel Drives

Prior to the commencement of construction on a Lot, the Owner of such Lot or such Owner's contractor shall provide at the approved driveway location a gravel drive from the paved street toward the house under construction, for a distance approved by the ACC.

12.10. Parking

All vehicles must be parked so as not to impede traffic or damage vegetation. No vehicles (trucks, vans, cars, trailers, construction equipment, etc.) may be left parked on any streets within SouthPointe overnight. Construction vehicles may be left on the gravel drive of a Lot overnight only if additional use of the vehicle will be made within the following three (3) days. Subcontractors are to be instructed to park on the street adjacent to the Lot or on the gravel drive, not in common areas or within the right-of-way.

12.11. Miscellaneous Practices

The following practices are prohibited at SouthPointe:

- 1) Changing oil of any vehicle or equipment;
- 2) Allowing concrete suppliers and contractors to clean their equipment other than within the clearing areas (approved by the ACC) for a Lot;
- 3) Careless disposition of cigarettes and other flammable material; and
- 4) Operators of vehicles are required to use due care to ensure that they do not spill any damaging materials while within SouthPointe. If spillage does occur, it is the responsibility of the operator of the vehicle to properly clean up the spill. Any such clean up operations completed by SouthPointe's personnel will be charged to the responsible party. Any spills must be reported to the ACC and SouthPointe Owners Association in writing as soon as possible.

12.12. Pets

Builder and contractor personnel may not bring pets into SouthPointe.

12.13. Common Areas

Except with the prior written permission of the ACC, builder and contractor personnel are not allowed in the Common Areas, and no construction access will be allowed across the Common Areas.

12.14. Accidents

SouthPointe Owners Association and the ACC shall be notified immediately of any accidents, injuries or other emergency occurrences (or such location as otherwise approved by the ACC).

12.15. Portable Chemical Toilets

An enclosed and regularly serviced portable chemical toilet must be provided at each residence under construction, and must be located in as inconspicuous a location as possible.

12.16. Vehicular Traffic and Speed Limits

All vehicles must travel at a safe operable speed through an inhabited neighborhood.

12.17. Signs

Building permits are the only sign or documentation that may be posted at a residence or on a Lot during construction. Business signs or other forms of advertisement are not permitted. Building permits are to be attached to a post in a manner protected from the elements; and in no event may building permits or any other signage or documentation be attached to trees.

12.18. Property Damage

Any damage to streets and curbs, drainage inlets, water meters or boxes, street lights, street markers, mailboxes, walls, fences, etc. may be repaired by SouthPointe Owners Association and the cost of such repairs will be billed to the responsible Owner. If not paid promptly, the repair cost will be assessed as a special individual assessment. If any telephone, cable TV, electrical, water or other utility lines are cut, it is the responsible party's obligation to report such an accident within thirty (30) minutes to the appropriate utility company.

12.19. General Builder Responsibilities

Builders are encouraged to maintain strict control over subcontractors to minimize soil and mud build-up in streets. Builders are advised to educate employees and subcontractors as to the location of the Lake Buffer Areas, the restrictions applicable to the Lake Buffer Areas and the ramifications for violation of the Lake Buffer Guidelines (i.e. fines). Planning the home construction with the erosion control measures and the Lake Buffer Guidelines specifically in mind will be crucial to the success of each builder in SouthPointe. Where the Builder desires to modify the vegetation in the Lake Buffer Area or construct pathways or shoreline stabilization in the Lake Buffer Area, a Lake Buffer plan must be first submitted to the ACC for approval prior to construction. In addition to protecting the Lake Buffer Areas and controlling erosion, builders are encouraged to develop Lot plans which preserve natural wooded areas wherever possible and which minimize Lot grading and disturbance. Alignment of utilities and access should be planned to minimize the cutting of mature trees.

12.20. Owners are encouraged to be guardians against:

- 1) Excessive trash build-up and/or disposal on the project either on Lots or in Common Areas;
- 2) Changing of oil, maintenance of equipment, or disposal of chemicals or paints resulting in spills on the Lots or into the storm drainage system for SouthPointe;
- 3) Use of excessive amounts of fertilizer or herbicides on seeded areas;
- 4) Destruction or modification of any part of the permanent storm drainage system for SouthPointe;
- 5) Unpermitted shoreline modification;
- 6) Unauthorized disturbance of any Lake Buffer Areas.

13. Glossary (Schedule F)

Accent Tree

A small flowering tree or a non-flowering tree with exceptional unique and interesting characteristics, such as leaf shape, leaf cover and/or flower color.

Annual Flowers

Flowers which are hot-house grown and available for seasonable displays in yards and gardens for colorful seasonal accents. These are replaced with other appropriate annuals when the season changes (e.g. annual periwinkle of summer replaced with pansies for the late fall and winter season).

Arbor

A decorative wood or metal structure used in the landscape to support the growth of plants (e.g. a wisteria arbor or rose arbor).

Arborist

A trained professional of Horticultural Science specializing in field identification, management, and maintenance of woody trees and shrubs.

Automatic Irrigation System

A network of underground pipes and sprinkler heads connected to a time clock which may be set to deliver a predetermined amount of water to various parts of a landscape at predetermined times of the day, operating independent of manual controls.

Balled and Burlapped (B&B)

Trees and large shrubs, which have been field grown rather than having been grown in containers. These plants are either hand-dug or machine-dug and their root balls are placed in tightly fitted burlap sacks to secure the root ball during transport prior to being planted.

Caliper

A term used in the nursery industry to describe the diameter of a tree to distinguish its relative size. Trees four inches (4") and under in caliper are measured six inches (6") above the ground to determine their caliper size; trees over four inches (4") in caliper at six inches (6") above the ground are measured at twelve inches (12") above the ground to determine their caliper size.

Container (Plant)

A plant which has a root system and is grown and sold in a plastic container. The container size is changed for a larger one, successively, as the plant matures. These plants are referred to as "container plants" in the nursery industry to distinguish them from other plants which are grown and sold with other various root conditions (e.g. B&B or Bare Root, etc.).

Crown or Canopy

These terms are used interchangeably to refer to the top part of a tree where the branching occurs and where the majority of the leaves exist on the tree.

Deciduous (Tree or Shrub)

Numerous plant species which lose or shed their leaves in the autumn, are without leaves for the colder winter months, and send out new leaves in the spring which remain throughout the summer are referred to as deciduous trees.

Deep-Root Fertilization

Fertilization of typically large trees or groups of trees, most often those that have recently endured construction activity and exhibit signs of stress, where liquid fertilizer is administered directly to the roots of the plants by drilling with specialized equipment into the root zone. The fertilizer is therefore readily available to the plant. The goal is a more rapid and complete recovery of the tree as exhibited by improved vigor.

Drainfield Envelope

Refers to the area that contains nitrification (drainfield) lines of the on-site septic system for an individual dwelling. The term can also be used to refer to the reserved repair area.

"Drip-Line" (Tree)

This refers to the outermost perimeter of any tree or shrub canopy. It would be accurately described by the shadow cast by the sun if it were directly above the tree. This line on the ground surface generally coincides with the outermost root growth of the tree.

Drought

Prolonged periods of time without rainfall. These periods require regular and complete supplemental watering to sustain newly planted or stressed, naturally occurring plant material.

Evergreen (Tree or Shrub, etc.)

Trees, shrubs and ground covers, etc. which retain the majority of their leaves throughout the year.

Final Landscape Plans and Specifications

The only landscape plans and specifications required by the ACC. The final landscape plans and specifications for a lot must contain certain basic information listed in the Guidelines and must be submitted at or before exterior finishes are begun on the house. Specific minimum planting requirements are listed in the Guidelines for each lot category.

Flats

Plastic containers in which many annual flowers and ground cover plants are grown and sold.

Ground Cover (Plants)

Plant materials which have as one of their primary growth characteristics the predisposition to spread over the ground, often creating a dense mat over a period of time.

Groundwater

Water that naturally flows under the surface of the earth, often through the soil's pore spaces or in underground aquifers or streams.

Landscape Architect

A professional educated and trained in the thoughtful design of exterior spaces, which designs incorporate utility, practicality and aesthetics. Licensure is required in the State of North Carolina to refer to oneself as a landscape architect.

Landscape Contractor

A person educated and/or trained in the installation of plants and other materials to create aesthetically pleasing outdoor environments.

Construction Escrow Account

A deposit required of all lot Owners which is returned in full to the depositor when all construction is completed according to the Guidelines set for by the ACC. All or a portion of the deposit may be forfeited in the event that the Guidelines are not followed, in the sole discretion of the ACC.

Landscape Designer

One who designs landscapes. This individual may or may not have formal education in his or her field, and licensure is not required.

Lateral Branch (Tree)

A lateral branch of a tree is one that emanates from the main trunk. The main trunk has a vertical orientation relative to the lateral branches, which are more horizontal. The lateral branches comprise the majority of the tree's crown or canopy.

Limits of Clearing and Grading Line

The line beyond which no cut and no fill are permitted, with the intention of preserving existing trees.

Perennials

Plants which die back with the onset of cold winter temperatures only to return each spring of the year, or perennially – with a new flush of spring growth. The largest group of perennials is the herbaceous perennials which are often planted for their spectacular show of spring, summer, or fall flowers.

Pergola

A heavy wood or metal structure, sometimes similar to an arbor, but typically much longer (e.g., covering a portion of a walkway) and constructed of heavier construction materials than an arbor.

Pine Straw

Pine needles used as a mulching material for plants to retain moisture in the soil otherwise lost to evaporation and to reduce weed growth in planting beds.

Preliminary Landscape Plans and Specifications

Landscape plans and specifications which are required by the ACC and will not be considered a substitute for the final Landscape Plans and Specifications are recommended when the lot Owner desires feedback from the ACC on the adequacy of the lot Owner's landscape plan prior to submission of the final Landscape Plans and Specifications.

Shade Tree

A large maturing tree, such as most oaks and elms which develop significantly large canopies or crowns, providing much-desired shade on a hot summer afternoon.

Streetscape

The portion of the landscape on either side of a street or roadway where trees, shrubs and other plant materials are combined with other street elements, like driveways, light posts, street signs, etc., creating a distinct character to the experience of driving or walking along a particular street.

14. Recommended Plant List (Schedule G)

Appropriate and aesthetically pleasing landscaping of individual Lots at SouthPointe is integral to the success of the community as a whole. A list of recommended plant materials that thrive in our region is provided for use by Builders, Lot Owners, and landscape contractors. The list represents a core group of plants, evergreen and deciduous, flowering and non-flowering, of various sizes at maturity, which perform well in our area. The list is not absolutely complete, and naturally other plants not appearing on our list are worthy of consideration. The intention is to provide a group of plants which are well-suited to our geographic location and which exhibit desirable ornamental characteristics. Many of the plants listed are indigenous (native) to our region: and several display desirable characteristics such as drought tolerance (xeriscape plants) and tolerance of heavy (clay) soils. Local plant nurseries should be consulted to obtain specific information on the improved varieties that may be available and the sun/shade exposure requirements of each plant.

14.1. Street Trees/Shade Trees:

Red Maple, October Glory, Sunset, Autumn Flame	Water Oak
Legacy Sugar Maple	Purpleleaf Beech
Southern Red Oak	Linden (Littleleaf, American)
European Mountain Ash	Bloodgood London Planetree
Ginkgo Biloba (male only)	Zelkova
Shumard Oak	Willow Oak
Chinese Elm	

14.2. Large-Maturing Evergreen Trees:

Deodar Cedar	American Holly
Southern Magnolia	Cryptomeria Japonica (protected)
Austrian Pine	Loblolly Pine
Norway Spruce	Nellie R. Stevens Holly
Fosters Holly	Emily Bruner Holly
Pyramidal Arborvitae	Savannah Holly
Bald Cypress	

14.3. Accent Trees (Flowering):

Kwanzan Cherry	Viburnum Apulus (Japanese Snowball)
Yoshino Cherry	Crape Myrtle species
Okame Cherry	Weeping Japanese Cherry
Sourwood	White Dogwood
Vitex (Chaste Tree)	Kousa Dogwood
Styrax Japonica (Japanese Snowbell)	Pink Dogwood
Smoketree	Red Dogwood
Crabapple (improved varieties)	Pagoda Tree
Washington Hawthorn	Purpleleaf Plum
Eastern Redbud	Saucer Magnolia
Star Magnolia	Sweetbay Magnolia
White Fringetree	Witch Hazel
Amelanchier (protected)	Golden-rain Tree
Golden-chain Tree	

14.4. Accent Trees (nonflowering):

Black Gum	Chinese Pistache
Wax Myrtle Bloodgood	Japanese Maple
Green Japanese Maple	Amur Maple
Trident Maple	American Hornbeam
Thornless Honey Locust	Heritage River Birch
Carolina Cherry Laurel	

14.5. Evergreen Shrubs:

Holly Species (i.e. Dwarf Burford Holly, Compacta Holly, Helleir Holly, etc.)
Ligustrum Species
Rhododendron Species (Carolina, Catawba, etc.)
Azalea Camellia
Laurel "species"
Camellia Sasanqua (protected)
Cypress and False Cypress Species
Nandina Species
Wax Myrtle
Cotoneaster Species (Bearberry, Rockspray)
Abelia
Lorapetalum

Boxwood
Euonymus Species
Pieris
Aucuba
Japonica (protected)
Gardenia (protected)
Juniper Species
Plum Yew
Cleyera Japonica
Osthmanthus "species"
Inkberry
Mahonia
Dwarf India Hawthorn

14.6. Deciduous Shrubs:

Althea
Spirea Species
Butterfly Bush
Flowering Quince
Hydrangea "species"
Sweetspice
Dwarf Crape Myrtle
Azalea

Barberry Species
Burning Bush Euonymus
Forsythia
Shrub Roses
Viburnum Species
Mock Orange
Weigela

14.7. Groundcovers and Vines:

Periwinkle
Euonymus fortunei "coloratus"
Shore Juniper
Lirope
Santolina
Ajuga
Ferns

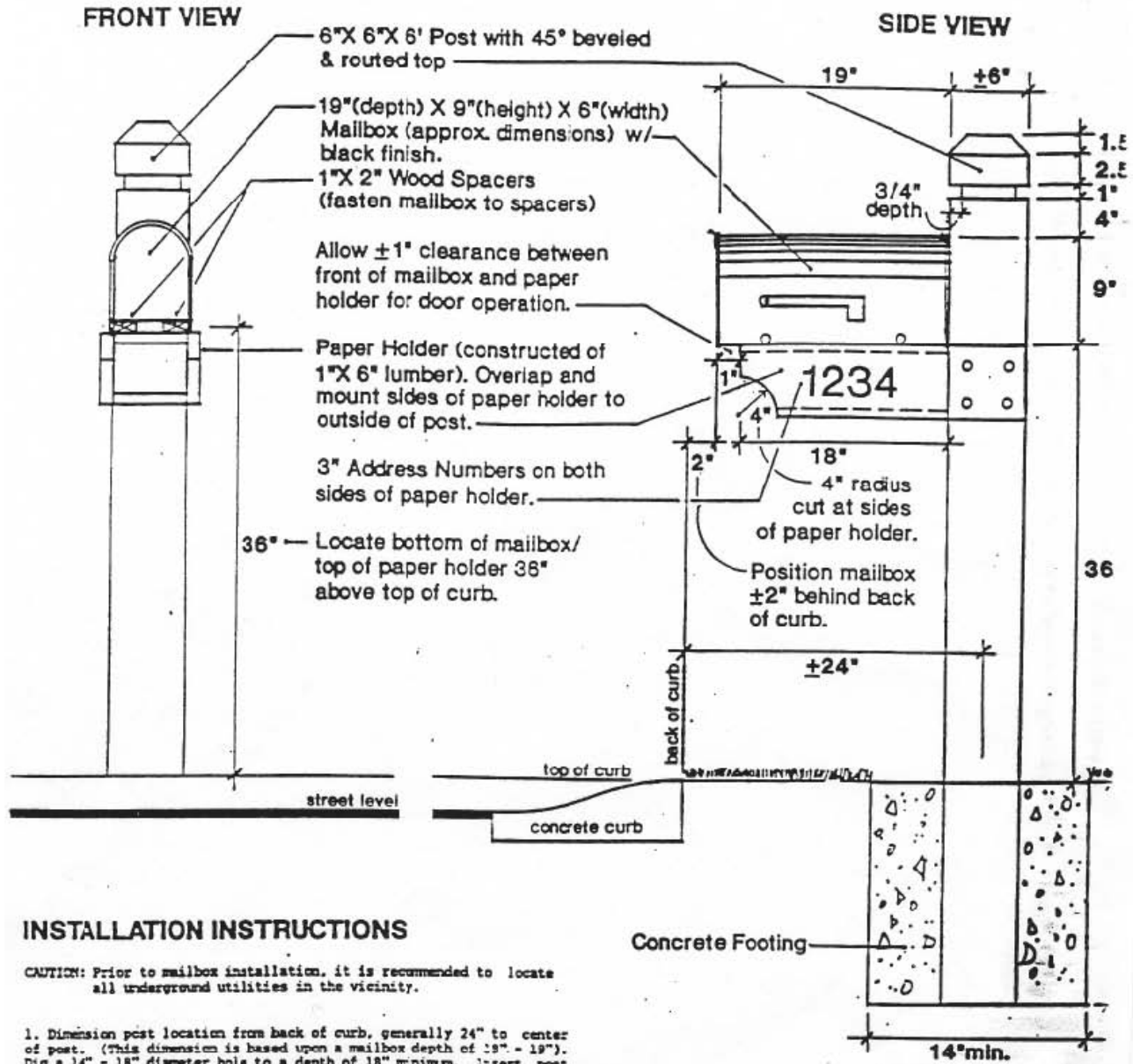
Pachysandra
Asian Jasmine
Sarcococa
Mondo Grass
Lady Banks Rose
Carolina Jessamine
Clematis "species"

14.8. Perennials:

Sedum Species (Autumn Joy, etc)
Coreopsis
Iris
Balloon Flower
Liatris
Primrose
Coneflower
Verbena
Dianthus
Ornamental Grasses
Chrysanthemum

Rudbeckia
Daylily Species
Hosta Species
Coral Bells
Ferns
Monarda
Shasta Daisy
Lillies
Sage
Aster

15. Schedule P – Mailbox Design



INSTALLATION INSTRUCTIONS

CAUTION: Prior to mailbox installation, it is recommended to locate all underground utilities in the vicinity.

1. Dimension post location from back of curb, generally 24" to center of post. (This dimension is based upon a mailbox depth of 19" - 19"). Dig a 14" - 18" diameter hole to a depth of 18" minimum. Insert post at indicated height, center post in hole, plumb (straighten) and brace secure with timber stakes driven at an angle into ground surrounding hole. Fill hole with concrete (bagged pre-mix will work) and level out flush with surrounding grade.

NOTE: All lumber shall be pressure treated. Apply clear sealer to all exposed surfaces after installation. A 4" x 4" post is not acceptable.

2. Assemble paper holder using 1" x 6"s (cut as shown) and 1" deck screws. Apply clear sealer to the interior surfaces of the paper holder prior to assembly. Install 1" x 2" spacers on top of paper holder with 1" screws.

NOTE: The spacers are recommended as a means of mounting the mailbox to the paper holder and should be installed to match the "lip" and screw holes at the bottom (sides) of the mailbox. Variations in mailbox types and methods of attachment may affect the height, location, and perhaps requirement of spacers.

3. Once the concrete has set (24 hours minimum), slide the assembled paper holder onto the sides of the post at the proper height secure with (4) 2" deck screws at each side. Apply clear sealer to the area of the post covered by the paper holder prior installation. Remove the post braces.

4. Mount the mailbox to the paper holder (spacers) with 1" screw each side. Provide adequate clearance between the front of mailbox and paper holder to allow for the door operation.

5. Apply clear sealer to remainder of post and paper holder. Make to have (factory) black finish.

6. Install 3" address numbers (black) to both sides of paper holder.



16. Amendments and Edits

The amendments and edits listed and briefly described below are incorporated into the body of the guidelines.

16.1. Amendment 1

ACC Fee

16.2. Amendment 2

Landscaping Requirement

16.3. Amendment 3

Landscaping and Garages

16.4. General Edit for SouthPointe Turnover

Reformat document into a single column format.

Renumber graphics.

Remove Paragraphs with no content.

Remove references to Crescent Resources

Remove from 4.1: Provided, however, Crescent Resources, LLC shall be entitled to use Lots owned by it from time to time for the construction and operation of construction offices and sales/marketing offices (and related uses) for the SouthPointe project.

Change in section 5.4.2: "Crescent Resources, LLC" to "SouthPointe Owners Association".

Change in section 5.7: "has been implemented by Crescent Resources, LLC; and" to "is".

Change in section 8.9: "Crescent Resources, LLC" to "SouthPointe Owners Association".

Change in section 10.4: "may be installed by Crescent Resources, LLC" to "were installed and are maintained".

Change in section 12.4: "Crescent Resources, LLC" to "SouthPointe Owners Association".

Change in section 12.11: "Crescent Resources, LLC" to "SouthPointe Owners Association".

Change in section 12.14: "Crescent Resources, LLC" to "SouthPointe Owners Association".

Change in section 12.18: "Crescent Resources, LLC" to "SouthPointe Owners Association".

Add "Contacts" page to the beginning of the document.

Revise Lake Buffer guidelines to coordinate with Burke County Zoning Ordinances amended October 2008.