General Covenant Terms Contained in Each of the 11 Individual Subdivision Covenants That Composes the Heatherwood Area **HOMEOWNERS ASSOCIATION**

ARTICLE I. DEFINITIONS

Section 1. Declarant.

Declarant shall mean and refer to each Owner who has signed this document, as well as each of their successors and assigns, pursuant to an express assignment or conveyance of any special Declarant rights hereunder to such successor or assign.

Section 2. Lot or Lots.

Lot shall mean and refer to any separately numbered plot or parcel of land identified herein or shown upon any now or subsequently recorded subdivision plat of the Property intended for single family residential purposes, and shall include any improvements constructed thereon and **Lots** shall refer to all such lots collectively.

Section 3. Owner.

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

Section 4. Property.

Property shall mean and refer to all of the Property hereby or hereafter made subject to the terms, covenants and conditions of this document, as amended from time to time.

ARTICLE II RESTRICTIONS

Section 1 Land Use and Building Type.

No Lot or Property or building shall be used except for Single-Family Residential Purposes. The term "Single Family Residential Purposes" is specifically defined, and is specifically to be construed, so as to prohibit anything other than a single-family use. By way of example, and not limitation, this Section prohibits commercial and professional uses; garage apartments, apartment houses, duplex and multi-family residences; profit or non-profit nursing homes, hospitals, group homes and other similar private or charitable enterprises; and any and all other such usages which are inconsistent with the single family residential character of the Property and neighborhood.

This Section does not preclude any person from working out of their home or having or maintaining a "home office" as part of the dwelling so long as such home office is used only by the Owner, and so long as the home is not used for regularly recurring meetings or conferences with customers, clients, patients, or others, or used in any manner inconsistent with the single family residential character of the Property and neighborhood.

Section 2. Nuisance.

No noxious or offensive activity shall be conducted upon any Lot or Property nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. In the event that any Property or Owner or any other person conducts obnoxious or offensive activity upon any Lot or Property or does anything thereon which may be or may become an annoyance or nuisance to the neighborhood, a written complaint can be filed with the Homeowner's Association. No Lot or other area within Property shall be used as a dumping ground for rubbish or as a site for the accumulation of unsightly materials of any kind, including, without limitation, broken or rusty equipment and discarded appliances and furniture. No Outdoor clotheslines shall be permitted in any front yard.

Section 3. Temporary Structures.

No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuilding shall be permitted at any time or used on any lot at any time as a residence either temporarily or permanently. An exception to this provision shall be a child's playhouse if it is of a temporary nature and is located behind the residence.

Section 4. Mobile Homes, Manufactured Homes, Etc.

No mobile home, manufactured home, modular home, or other like structure shall be located or installed on any Lot. As used in this Section, mobile home, manufactured home or modular home shall mean a structure, assembled in whole or in part in a location other than on the Lot itself, transportable in one or more sections, any section of which, during transport, is four (4) feet or more in width and ten (10) feet or more in length, which may or may not be built on a permanent chassis and which is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities.

Section 7. Garbage and Yard Maintenance.

Grass, weeds and vegetation on each lot shall be kept mowed so as to maintain the same in a neat and attractive manner. Trees, shrubs and plants which die shall be promptly removed from such Lots. No trash, ashes or other refuse may be thrown or dumped on any of the lots. No building material of any kind or character shall be placed or stored upon the said property except during periods of construction or improvements thereon. Building material shall not be placed or stored in the street or between the curb and property line.

Section 8. Further Subdivision.

No Lot or Lots or Property may hereafter be further subdivided

ARTICLE III HOMEOWNER'S ASSOCIATION

Section 1. Establishing of Homeowners Association.

The Heatherwood Area Homeowner's Association, Inc. ("HAHA") is hereby enabled and established as the homeowner's association for Heatherwood Subdivision Part 1.

Section 2. Purpose.

The purposes and objectives of HAHA are:

- 1. to enhance the livability of the area by establishing and maintaining an open line of communication and liaison between the neighborhood, government agencies and other neighborhoods.
- 2. to provide an open process by which all members of the neighborhood may involve themselves in the affairs of the neighborhood.

Section 3 Membership.

All Owners shall be Members of HAHA. Any other residents of a Member's household may participate in HAHA meetings and activities provided that current HAHA dues.

Section 4. Voting.

Owners shall have one vote per Lot.

Section 5. Funding.

Annual Dues shall be due from each Owner. Annual Dues shall be no more than \$50.00 a year. Annual Dues may be increased or decreased upon an affirmative vote of 65% or more of the HAHA Board Directors. All Owners shall be notified at least seven (7) days prior to any proposed vote to increase or decrease Annual Dues.

Section 6. Meetings.

There shall be at least one general annual meeting of HAHA membership a year on days on a date set by the HAHA Board of Directors. At this meeting: (1) the President shall report on the state of the association; (2) the Treasurer shall give an annual financial report; (3) elections for Members of the Board shall be held; and, (4) any other necessary business shall be conducted.

Section 7. Board of Directors.

The Board of Directors shall be composed of no more than 12 Members of HAHA. The affairs of HAHA shall be managed by the board in the interim between general meetings. The board shall be accountable to the membership; shall seek the views of those affected by any proposed policies or reactions before adopting any recommendation. The HAHA Board shall meet as a Board at least once a quarter. These meetings shall be conducted in open session open to any Member; however only Board Members may vote.

Section 8. Officers.

The board shall elect from among its members a president, vice-president, secretary, and treasurer at the first board meeting and following the annual election. The president shall prepare the agenda and preside at all meetings of the board and membership; shall appoint chairs of committees with majority approval of the board. The vice-president shall assist the president and preside at meetings in the absence of the president. The secretary shall keep minutes and written records of majority and minority opinions expressed at all meetings; shall be responsible for all correspondence and shall make records available for inspection for any proper purpose at a reasonable time. The treasurer shall be responsible for all funds and shall give an accounting at each general meeting; shall receive safe keep and disburse funds as authorized.

Section 9. Committees.

The following standing committees shall be appointed by the president with the agreement of the Board of Directors and may be dismissed without cause by the president with the agreement of the Board. Standing committees shall be:

Membership Beautification Activities and Recreation Traffic and Crime Prevention

The president shall institute with the agreement of the board of directors such other committees as are deemed necessary to transact the business of HAHA. The chairman of the committee shall be appointed by the president with the agreement of the Board and may be dismissed without cause by the president with the agreement of the board.

Section 10. Adoption HAHA Bylaws.

The existing HAHA bylaws are adopted except to the extent the same are inconsistent with any Section herein.

ARTICLE IV GENERAL PROVISIONS

Section 1. Enforcement.

The failure by any property owner or homeowner's association to enforce any right, privilege, covenant or condition which may be granted to it by this document, or the original Protective Covenants, shall not constitute a waiver of the right to thereafter enforce such right, provision,

covenant or condition in the future. Enforcement shall be by proceedings at law or in equity against any person or persons, violating or attempting to violate these covenants either for specific performance to enjoin or restrain such violation or to enforce any mandate of the Board of Directors, or to recover damages and fees.

The Association, acting by and through its Board of Directors, shall have the right to levy assessments against Lots within Heatherwood Subdivision, Part 1 for defraying the Association's expenses, for administering and enforcing the covenants, conditions and restrictions of this Declaration, for carrying out the powers and duties mentioned herein, for operating, repairing, reconstructing, replacing, improving, insuring or otherwise maintaining any common area or neighborhood facility, and for otherwise fulfilling the purposes of this Declaration or of the Association, all in accordance with the terms and provisions of this Article of this Declaration. Each and all of these assessments properly levied shall become a lien against each, any or all such Lots which is enforceable by the Association.

Section 2. Covenants for Assessments.

Each Owner by acceptance of a Deed or other conveyance document for a Lot, whether or not expressed in any such Deed or other conveyance document shall be deemed to covenant and agree to pay to the Association any Assessment which shall be levied by the Association.

Section 3. Assessments Are Not Dues.

No portion of any Assessment provided in or permitted by this Article is intended to be, or shall be construed to be, dues for membership in the Association.

Section 4. Rental or Leases.

Heatherwood Subdivision, Part 1 is designated as 'SINGLE FAMILY OWNER OCCUPIED ONLY.' A part or portion of a Lot or Dwelling (as distinguished from the entire Lot or Dwelling) shall not be rented for any period. UNDER EXTREME CIRCUMSTANCES, SUCH AS A TRANSFER, BANKRUPTCY, ECONOMIC HARDSHIP OR PERSONAL HARDSHIP the entire Dwelling and all the improvements on the Lot may be leased and then only for a minimum term of one year. No Lots or Dwellings shall be leased or rented under any time-sharing, time interval or right-to-use programs or investments. Subletting shall not be permitted. Any Owner of any Lot or Dwelling who intends to rent or lease such Lot or Dwelling, prior to the execution of said lease or rental agreement shall forward a conformed copy of said lease or rental agreement to the Board of Directors accompanied by a deposit equal to 2 months' rental or lease payments. Said deposit to be held by the Association and used if necessary, to enforce the provisions in these Covenants. All lease or rental agreements shall be in writing. Any such rental agreement shall contain, or shall be deemed to contain, a provision to the effect that the rights of the tenant to use and occupy the Dwelling shall be subject and subordinate in all respects to the provisions of this Declaration, to the Bylaws, and to such rules and regulations as the Board of Directors from time to time may duly adopt and promulgate among the Members. Such rental agreement shall further provide, or shall be deemed to provide, that any failure by the tenant to comply with any of same shall be a default under the rental agreement including forfeiture of deposit. In situations of personal hardship or other unique circumstances, the prohibitions of this Section shall not be interpreted or construed to prevent the use and occupancy of a Dwelling by an individual who is not a Member or member of a Member's immediate family during a term of limited duration, subject to prior notice to and approval by the Board of Directors (which approval shall not be unreasonably withheld).

Lease or rental of any Dwelling or other property within Heatherwood Subdivision, Part 1 is not permitted if the lease or rental of such Dwelling or other property is done by any Person as an investment or is done by any Person engaged in leasing or managing property as a part of an ongoing business without the specific, express approval of the Board of Directors, which, as a prerequisite to granting such approval, may impose any conditions and requirements pertaining thereto as the Board of Directors shall see fit.

Section 5. Prohibited Vehicles and Parking.

Except for those of a visitor, short term guest or temporary employee, no automobile shall be parked or permitted to remain parked on a neighborhood street more than twenty-four (24) hours except during bona fide emergencies. At no time, unless in the event of an active, bona fide emergency, is it permissible to park a vehicle on any portion of unpaved surface or area not utilized for driving or parking. No inoperative motor vehicle, wrecked or junked vehicle, commercial vehicle, large trailer, truck larger than 3/4 tons, house trailer, mobile home, bus, camper, motor home, recreational vehicles, boats, or machinery or equipment of any kind or character (except such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of any dwelling and except such equipment and machinery as the Association may require in connection with the maintenance and operation of any common area and/or neighborhood facility) shall be kept upon or within a Lot or other part of Heatherwood Subdivision, Part 1 unless such is completely enclosed in a garage or kept in an area specifically designated therefor.

Section 6. Severability.

Invalidation of any one of the covenants or restrictions by judgment or court order shall not affect any other provision which shall remain in full force and effect.

Section 7. Amendment.

All covenants and restrictions shall run and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated as hereinafter provided. No amendment or termination purporting to revoke or curtail any right herein conferred shall be effective unless evidenced by a filed written document executed by 60% or more of the Owners.

ARTICLE V BUILDING AND CONSTRUCTION REQUIREMENTS

Section 1. Fencing.

Chain link and cyclone fences are expressly prohibited.

Section 2. Maintenance of Sound Condition and Quality Appearance.

Each Owner shall maintain at all times the condition and appearance of his Lot, the dwelling thereon, and any appurtenances thereto, including but not limited to all exterior dwelling walls and surfaces, trees, shrubs, lawn grass and other landscaping components, mailbox, fence, sidewalk, driveway, and other improvements exposed to public view, in a sound condition and high quality appearance. An Owner's failure to properly maintain his Lot, the dwelling thereon, and any appurtenances thereto, may result in HAHA incurring the necessary expenses to properly maintain the Lot and recovering said expenses from Owner.

Section 3. Exterior Color Requirements.

Trim and home exterior colors shall be one of the brand(s) and color(s) of paint or stain promulgated as acceptable or permitted by the Board of Directors upon written request for approval.

Section 4. Material Requirements for Dwellings.

Roofing shingles shall be such brand(s), style(s) and color(s) promulgated as acceptable or permitted by the Board of Directors upon written request for approval.

Section 4. Driveways, Parking Spaces and Garages.

EACH DWELLING SHALL HAVE A GARAGE OR CARPORT CONSTRUCTED AS CONNECTED FEATURE OF THE DWELLING FOR AT LEAST TWO FULL-SIZE AUTOMOBILES.