PREFACE:

The basis for the Rules & Regulations and the authority for enforcement are contained in the Declaration of Restrictions (DOR), the Bylaws and the Articles of Incorporation for the Carolina Shores Property Owners Association, Inc. as well as portions of North Carolina General Statutes Section 47F, better known as the North Carolina Planned Community Act, and North Carolina General Statutes Section 55A, better known as the North Carolina Nonprofit Corporations Act.

These limitations, restrictions, covenants and conditions are binding on all parties having acquired any right, title or interest in property within Carolina Shores. Please read the Rules & Regulations carefully and be sure you, your family, guests and tenants understand them fully. Ignorance or unfamiliarity of the Rules & Regulations and the DOR is not an acceptable reason for non-compliance.

The table below provides references to the Deed of Restrictions sections and sub-sections that detail the overriding policies on which the rules are based.

CSPOA Rules and Regulations as referenced in the DOR.

Section	Sub-Section
1	13
2	1
4	3a and 31
5	1c
10	3
12	a, c, d

ARCHITECTURAL CONTROL COMMITTEE: The Architectural Control Committee (ACC) is made up of property owners of good standing of the CSPOA. The function of this committee is to ensure that all DOR and Rules and Regulations of the CSPOA are followed. The CSPOA Board is informed of any violation which is not corrected by the property owner and further action is then started.

DISCLAIMER:

The material in this handbook is not intended to be a substitute for the stipulations contained in the DOR or for the services of an attorney. The law and its interpretation are constantly changing. Please consult your professional advisor regarding your involvement, obligations and rights of property ownership in this common interest community association.

RULES & REGULATIONS:

The following is the adopted Rules & Regulations of the Carolina Shores Property Owners Association, Inc. ("CSPOA"). The rules are presented by category.

I. PROPERTY OWNERS

Individuals or entities acquiring legal or equitable title to any Lot in Carolina Shores Subdivision shall automatically become members of the CSPOA and for purposes of these Rules and Regulations shall be referred to as Property Owner(s). Membership in the CSPOA is limited to Property Owners and may not be separated from ownership of any Lot. The Property Owner is the person/entity ultimately responsible for ensuring that people on the premises follow the DOR and the Rules in this handbook. Any person whose name is not on the deed is neither a property owner nor considered a member of the CSPOA for the purposes of these Rules & Regulations.

Mailing addresses and telephone numbers of the Property Owner must be filed with the CSPOA office within ten (10) days of recording the title deed. This ensures that official notices can be mailed to the Property Owner and contact can be made in case of an emergency. It is the responsibility of each Property Owner to notify the CSPOA office of any change in mailing address, telephone number or residency status (i.e., renting their property).

Dues or fines may be paid by check or paper currency. (coins are not accepted for these payments).

II. VIOLATIONS OF RULES & REGULATIONS

Each Property Owner is encouraged to report observed violations either by going to or calling the CSPOA office at (910) 579-2044, e-mailing cspoa@carolinashores.net, or writing to CSPOA, Architectural Control Committee, 17 Lakeview Court, Carolina Shores, NC 28467. The Request for Inspection form (to report suspected violations) is available at www.carolinashores.org.

Each Property Owner is responsible for the conduct of and any violation by such owner's family members, guests, agents, contractors, tenants, and for the family members' guests, agents and contractors of any tenant. Should a violation be reported, the CSPOA has been instructed to do any or all of the following:

- 1. Note the nature of the alleged violation, obtain the name and address of violators, and forward the information to the CSPOA.
- 2. In the case of children, every reasonable and responsible effort should be made to contact the parents, guardian or host immediately prior to taking further action.
- 3. Call upon a law enforcement agency for any assistance, if necessary.

III. USE OF MOTORIZED VEHICLES, PARKING & STREETS

A. MOTOR VEHICLES:

- 1. All definitions in this section shall be the definitions of the North Carolina Motor Vehicle Statutes.
- 2. All vehicles within Carolina Shores must be continuously titled, licensed, inspected, registered, and insured as required by state statutes.
- 3. All motor vehicles must be driven in a safe and reasonable manner and driven only on designated roadways. Drivers must observe all posted traffic signs. Only licensed drivers shall operate any motor vehicles within Carolina Shores.
- 4. No unlicensed, junked, wrecked, or stripped vehicles of any kind are allowed on any property owner's lot, CSPOA property, street, or right-of-way.
- 5. Vehicles are only allowed to be regularly parked on property owners' driveways or parking areas on property owner's lot. "Parking areas on the property owner's lot" is defined as a concrete, stone or rock area adjoining the driveway specifically for use as a parking area. Parking elsewhere on the property is not allowed. Parking on POA common areas is not allowed. Parking on golf course or Town of Carolina Shores property is not allowed without prior authorization

B. PARKING AND STREETS

1. There shall be no storage or overnight parking of any mobile home, trailer (with or without wheels), motor home, tractor, truck (other than non-commercial pick-up trucks and vans), commercial vehicles of any type, camper, motorized camper or trailer, recreational vehicles, boat or other watercraft, boat trailer, or any other related forms of transportation devices upon any portion of Carolina Shores. For clarification, any vehicle that has commercial lettering is considered a commercial vehicle.

2. Recreational Vehicle Parking

A recreational vehicle (as defined in definition A) may legally be parked for the Time Duration (specified in definition D), so long as the overnight parking is reasonably necessary and sporadic in occurrence. When overnight parking of an RV occurs, the vehicle owner must report the occurrence to the CSPOA Office as soon as possible. The CSPOA telephone number (910-579-2044) contains an answering system that the owner may report when an occurrence occurs after office business hours. Failure to report occurrences may result in a fine and/or the revocation of access privileges after notice and an opportunity to be heard pursuant to North Carolina General Statute 47F-3-107.1.

Definitions:

A. Recreational Vehicle is defined as a motor vehicle or trailer which includes quarters designed for accommodations. Types of RV's include: motorhomes, campervans (also known as travel trailers and camper trailers) and fifth-wheel

trailers. Popup campers and truck campers, boats and utility trailers are not defined as RV's.

B. Reasonably Necessary
No reasonable alternative exists

C. Sporadic in Occurrence Events which occur now and then, rarely or infrequently

D. Time Duration

A time period of no more than twenty (24) hours maximum starting at 6 PM EST on day One and concluding at 6 PM EST the next day. (e.g. Starts 6 PM May 15 and concludes 6 PM May 16)

- 3. Portable storage containers may be temporarily placed on a homeowner's property for the purpose of temporary storage of the homeowner's household property for the purpose of moving into or out of a residence. Such containers must be removed within five (5) days unless prior approval of the CSPOA has been obtained.
- 4. Moving vans/trucks may be temporarily parked on homeowner's property for the purpose of moving into or out of a residence. Such moving vans/trucks must be removed within forty-eight (48) hours of initial placement, unless prior approval of the CSPOA has been obtained.

IV. SOLICITATION

Although the members of the CSPOA are in a public environment, the following policy is in effect with regard to solicitation:

No solicitation is allowed within the boundaries of Carolina Shores. This includes, but is not limited to, door-to-door sales of any goods or services, approaching people on the streets to sell goods or services and dropping in doorways, delivering to mailboxes or posting on mailboxes flyers advertising the sale of goods or services. Violations should be reported to the Brunswick County Sheriff's Department.

V. COMMON FACILITIES

ACCESS TO COMMON FACILITIES

The Property Owners Rules & Regulations Handbook is compiled by the CSPOA for the purpose of describing the specific guidelines for use of the common facilities of the CSPOA:

- 1. CSPOA clubhouse
- 2. Pool
- 3. Tennis courts

4. Recreation areas, which includes the Pavilion area and Bocce ball court

The common facilities are operated for the benefit of the owners of record of property within Carolina Shores. Anyone using the common facilities or any of their components shall do so at his or her own risk.

The common facilities of the CSPOA include the clubhouse, the pool, the recreation area, the tennis courts, and all parking lots.

The hours and rules of operation for the common facilities are set by the CSPOA Board of Directors. The rules for each facility are provided at the end of this document.

In order to enter the clubhouse, pool area or tennis courts, you must have a magnetic key card/fob you scan at the entry to each of these areas. The Property Owner(s) of each lot with a residence or double lot with residence is entitled to two (2) free key cards and may purchase a key fob(s) in place of the card(s) for the cost of \$25.00 each. The Property Owner(s) of an unimproved lot(s) is entitled to one (1) key card.

The key cards/fobs are available at the CSPOA office. In the event a key card/fob is lost, stolen or damaged, the Property Owner should notify the CSPOA as soon as possible. That key card/fob will be deactivated, and a replacement will be issued at a cost of \$25.00.

Only two (2) cards will be issued per member(s) with a residence and one (1) card per member(s) of unimproved property.

Owners of properties that are rented may elect to allow the tenants to have access to the common facilities. In order to do this, you must file a written statement with the CSPOA explicitly granting privileges to specific individuals living in the home and assign the tenant(s) your owner's card(s) This can also be done through rental agents with proper paperwork. Renters are not able to request or replace cards/fobs.

USE OF COMMON FACILTIES

To ensure the safety and convenience of all property owners, the CSPOA has imposed the following rules for the use of common facilities:

- 1. If a state of emergency is declared the use of any of the common facilities is prohibited.
- 2. Pets are not permitted within the confines of the pool, tennis courts or clubhouse. Duly certified service dogs are exempted from this rule.
- 3. Skateboarding is prohibited at all common facilities.
- 4. Conduct detrimental to the health, safety or enjoyment of those using the common facilities is not permitted.
- 5. Playing of instruments or use of music recording/playing devices must be done in a manner that respects the rights of others.

- 6. Care should be taken to protect the landscaped and parking areas from damage and debris. Trash should be disposed of in the appropriate containers.
- 7. Any damaged or broken equipment should be reported at once to the CSPOA office.
- 8. The laws and regulations of the State of North Carolina concerning the use of alcoholic beverages shall govern the common facilities.
- 9. There shall be no vehicles, trailers or other items placed on the common grounds of the POA with "for sale" or "for lease" signs without prior permission of the POA Board.

Failure to follow the rules for the use of common facilities may result in having access privileges withdrawn after notice and an opportunity to be heard pursuant to North Carolina General Statute § 47F-3-107.1. The North Carolina Planned Community Act gives the CSPOA the power to impose reasonable fines or suspend privileges or services provided by the CSPOA (except rights of access to lots) for reasonable periods for violations of the Declaration of Restrictions, Bylaws and Rules and Regulations of the CSPOA. If a violation is noted, a hearing must be held before the CSPOA Board to determine if a Property Owner should be fined or if planned community privileges or services should be suspended. The Property Owner charged shall be given notice of the charge, opportunity to be heard and to present evidence and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47F-3-116. If it is decided that a suspension of privileges or services should be imposed, the suspension may be continued without further hearing until the violation is cured. PLEASE NOTE THAT EACH PROPERTY OWNER IS RESPONSIBLE FOR THE CONDUCT OF AND ANY VIOLATION BY SUCH OWNER'S FAMILY MEMBERS, GUESTS, AGENTS AND TENANTS, AND FOR THE FAMILY MEMBERS, GUESTS, AND AGENTS OF ANY TENANT.

CSPOA CLUBHOUSE

The CSPOA clubhouse serves the community as the site to hold many of the activities created by and for the residents. The clubhouse can be reserved for private parties. It is important that the CSPOA clubhouse be designated for uses that will serve the population and maintain that sense of community. See the attached application form.

TENNIS COURTS

The rules associated with the tennis courts are posted at the tennis courts. See attached.

SWIMMING POOL

The rules associated with the use of the pool are posted at the pool. See attached.

PAVILION AREA

The rules associated with use of the Pavilion area are attached to this document.

NOTE: The Carolina Golf and Country Club is NOT part of the CSPOA; therefore, access to this property must be approved by the senior manager of the Golf Course.

VI. PROPERTY USE AND MAINTENANCE RESPONSIBILITIES

The DOR governs the use and maintenance responsibilities of the Owners' property. As such, Property Owners are urged to refer to the DOR, Section 6 – "General Prohibitions and Requirements", Section 7 – "Building Plans and Specifications" and Section 8 – "Size and Placement of Residences and Structures" for the specific stipulations relative to property use and maintenance concerns. The CSPOA Rules & Regulations listed here are stated in layman's terms and are intended to function as a quick reference for the benefit of the Property Owner, not a substitute for the DOR.

- 1. Property Maintenance Each Owner shall maintain his or her unit and all structures, landscaping, parking areas, and other improvements comprising the unit in a manner consistent with the community-wide standard and all applicable covenants.
- 2. Landscaping Property Owners are responsible for maintaining their property grass and all plantings in a manner that will enhance and maintain the beauty and aesthetics of the community. It is the responsibility of all Property Owners to prevent the accumulation of trash, debris and any other unsightly litter that would detract from the cleanliness and beauty of the community. No Property Owner shall dump any yard waste (such as grass clippings, shrubbery clippings, tree branches, etc.) on any unimproved lot or common ground.

Addendum to Rules and Regulations Section VI.2

Clarification to definition of "Well Maintained": Vacant Lots

- -To be done on a 3-year schedule by the individual property owner. All debris must be removed from the lot, including but not limited to, brush and trees. This debris may be run through a chipper and evenly dispersed on the lot in lieu of removal. The entire area of the lot shall be cleared to all boundary/property lines* to a maximum height of no more than six (6) inches.
- *The property line begins thirty (30) feet from the road center. The swale is in the Town Right-of-Way. Each lot can be different depending on the road they are on.
- 3. Burning No outside burning is allowed. Firepits are allowed but must have a screen.
- 4. Exterior Lighting Exterior lighting shall not cause an adverse nighttime environment to any surrounding property.
- 5. Damage Removal Any building or improvement wholly or partially destroyed must be rebuilt in such a way that meets the standards of the ACC and any debris must be removed within six (6) months.
- 6. Antennas and TV Dishes are permitted. Every effort should be made to screen the dish or antenna so that it is not visible from any street or recreational area.

- 7. Sound Devices Sound devices shall not cause an adverse environment to any surrounding property, with the exception of alarm devices used exclusively for individual residence security purposes.
- 8. Signs No signs of any type shall be erected or maintained on any property without the prior approval of the ACC. Signs that will be considered are "For Sale" or "For Rent", which should not exceed 24" x 24", and security signs which should not exceed 10" in diameter.
- 9. Political Signs This is covered by North Carolina Statute 47F Political signs may be displayed within a property owner's lot from 45 days before the date of a federal, state or municipal election until no later than seven days after the election. Only one political sign, with the maximum dimensions of 24" x 24", is allowed on each property. (A political sign is defined as "a sign that attempts to influence the outcome of an election, including supporting or opposing an issue on the ballot.")
- 10. Painting and Exterior Alterations All exterior modifications, additions, remodeling, or painting must have prior approval of the ACC, even if you are painting the same color. Any Property Owner may remodel, paint or redecorate the interior of the property without approval.
- 11. Concealment Every fuel tank or storage tank must be EPA approved. All fuel tanks or storage tanks, exterior HVAC equipment, irrigation equipment, and trash receptacles shall be screened to a height not exceeding one (1) foot above the unit or so placed and be kept as to not be visible from any street or recreation area. It is recommended that the ACC be consulted on this matter.

VII. TENANTS/RENTALS

For the purpose of these Rules and Regulations, a tenant shall be defined as anyone in possession of a Property Owner's home in exchange for any sort of consideration.

- 1. Tenants, unless Property Owners, are not members of Carolina Shores POA; however, they are subject to the Deed of restrictions, the By-laws, the Rules and Regulations, and Policies that govern Carolina Shores POA and its common areas.
- 2. A residence may not be leased or rented for a term less than six (6) months.
- 3. A room or rooms in a residence may not be rented for any length of time, nor can any part of the property be used as an Airbnb or similar rental service at any time.
- 4. Prior to occupancy, it shall be the responsibility of the Property Owner to ensure that a Tenant's Information Sheet is completed and furnished to the Carolina Shores POA. The Tenant Information Sheet is available at the Carolina Shores POA Office.
- 5. The Property Owner is responsible for the actions of his/her tenant(s) and tenant's guests and will be held financially liable for any damage to CSPOA common facilities, equipment or common areas. The Property Owner will also be held liable, financially or

otherwise, for any violations of the DOR, the Bylaws or the Rules & Regulations by his/her tenant(s) and/or tenant's guests.

House Swapping:

The three (3) main types of home exchange are as follows:

- a) You can stay in your exchange-partners home while they stay in yours (a Simultaneous Exchange)
- b) You can stay as a guest in a home-swappers second home or vacation home (a Non-Simultaneous Exchange)
- c) You can stay as a guest in a swappers abode while they are also in the house (a Hospitality Exchange)

House swapping as defined above shall be limited to one (1) two-week exchange per calendar year.

For information regarding the current Board of Directors or any other questions, please contact the CSPOA office at (910) 579-2044.