

GIFTS, GRANTS, AND BEQUESTS

The Board is duly appreciative of the interests of members to improve the quality of life within Holly Forest. The Board reserves the right, however, to specify the manner in which gifts are made; to define the type of gift, grant, or bequest, including, but not limited to, real property, which it considers appropriate; and to reject those which it deems inappropriate or unsuitable. If accepted, the Board will attempt to carry out the wishes of the donor.

- A. All accepted gifts, grants, or bequests shall be acknowledged by the Board.
- B. All gifts, grants, or bequests having a value of more than \$100.00 require acceptance by the Board. The Property Manager may accept for the Board gifts of lesser value and real property within the Association.

Gifts, grants, and bequests shall become the property of the Board and will be subject to use by the Association as determined by the policies and regulations applying to all properties, equipment, materials, and funds owned by the Board.

Any equipment proposed to be purchased by a member or organization for use by the Association or at an Association-related event shall be submitted to the Board, prior to purchase, so it can determine if the Association would incur any liability by its use.

The Board reserves the right to not accept such liability and thus deny of the use of the equipment or to deny its acceptance.

HOLLY FOREST PROPERTY OWNERS ASSOCIATION, INC.

BOARD RESOLUTION

To Supplement and Clarify Policy 501

Receipt of Gifts, Grants, and Bequests

WHEREAS, the Board now deems it to be in the best interest of the Association to supplement and clarify Policy 501 and the current Declaration of Protective Covenants of Holly Forest, Article VIII, Section D. which states, among other things, that "The Association may also pursue any other remedy against any owner owing money to it which is available to it by law or equity for the collection of debt."

WHEREAS, Holly Forest is a single-family residential subdivision which has the authority and is empowered to levy annual assessments against all Lots in the Development.

WHEREAS, if such assessments are not paid, the Association has authority to record in the office of the appropriate County Register of Deeds a lien against such Lot.

WHEREAS, the Association has authority to foreclose the lien by suit in a like manner as a mortgage or pursue other remedies allowed by law.

NOW, THEREFORE, be it resolved by the Board of Directors of the Association that, in conjunction with the enforcement provision for collection of unpaid assessments that have been recorded as a lien, the Association's ability to acquire property by Gift, Grant or Bequest as stated in Policy 501 is clarified and expanded to include the following:

Acceptance of Deed in Lieu of Foreclosure.

The Board reserves the right to accept, as a grant of real property, a deed to any Lot for which outstanding assessments are owing and a lien has been filed in lieu of pursuing a foreclosure as allowed by the Declarations and North Carolina law. In order to accept a deed in lieu of foreclosure certain conditions apply.

A. Lot Owner must sign a formal agreement expressing their wish to convey the Lot to the Association by way of deed in lieu of foreclosure.

B. Lot Owner and any other occupants of the Lot must vacate the property within 10 days prior to transferring the Lot to the Association.

C. Lot Owner must be able to provide clear and marketable title with a general warranty deed free of any other liens.

D. Lot Owner must leave the Lot in good condition, free of any trash, debris or damage and all personal belongings must be removed from the Lot prior to transfer.

Upon transfer of the Lot to the Association by way of deed in lieu of foreclosure, the Association will prepare and record a lien release in full satisfaction of any unpaid assessments. The Association further agrees to waive any right pursue a deficiency judgment.

Further, the Association may continue the foreclosure process as allowed under the Declarations and North Carolina law; however, the Association will suspend any foreclosure sale date until the conveyance has been completed, but in no event more than 90 days after the agreement between the Lot Owner and Association to convey the Lot by way of deed in lieu of foreclosure.

The Board reserves the right to terminate any agreement to accept a deed in lieu of foreclosure prior to conveyance and thereafter pursue any rights available to the Association under the Declaration and North Carolina law, including foreclosure.

Upon conveyance of any Lot by way of a deed in lieu of foreclosure, the Board has the right and authority to determine the disposition of the Lot, including converting undevelopable/unperkable lots into green space, according to the established Policies, including but not limited to Policy 501.1 and 502.

Read, approved and adopted this the 19th day of July, 2021, by majority vote of the Board.



President

Secretary

ESTABLISHMENT OF COMMON "GREEN" AREAS

Lots owned by a developer or individuals deemed to be non-percable will be accepted as a gift by the Association as common "green" areas, provided:

1. The developer/individual will pay all legal costs for the transfer.
2. The Property Manager is assured that the Sapphire Valley Master Association or its successors does not bill assessments on these areas to the Association.
3. The Property Manager writes an appropriate letter to the County so that the property is tax exempt since it is a common "green" area.

DISPOSITION OF REAL PROPERTY

The Board believes that the efficient administration of the Association requires the disposition of property and goods no longer necessary for the maintenance of the programs or the operation of the Association.

The Board may direct the periodic review of all Association property and authorize the disposition by sale, donation, trade, or discard of any property not required for Association purposes.

- A. All written offers on real property under consideration for disposition shall be presented as an item on the agenda of a public Board meeting. A preliminary review of offers to purchase shall include: source of offer, date of offer, expiration date of offer, and intended use of property.
- B. Written offers shall be referred to the Board for review and recommendations. Offers, when received, will be referred to the Treasurer of the Board.
- C. All property considered for disposition (sale) may be subjected to two (2) current, outside, professional appraisals prior to the solicitation of offers.
- D. All property considered for sale shall be reviewed by the Board prior to solicitation of offers. The solicitation of offers by the Board shall include an expiration date.
- E. All Association real property for sale shall be subject to the following procedures and offered on an equitable basis to property owners and/or developer:
 - 1) offered to adjacent lot owners by certified mail with a thirty (30) day response deadline (sample letter attached);
 - 2) offered to all Association owners by Holly Forest publication, i.e., newsletter, etc. with a thirty (30) day written response deadline;
 - 3) offered to Fairfield Communities, Inc. (developer);
- F. In consideration of the best interest of the Association and of the Association members, the Board reserves the right to reject any and all offers at its sole discretion, regardless of price and terms.

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- G. Potential purchasers shall demonstrate financial capability to meet the terms and conditions of their purchase or lease offer.
- H. Potential purchasers shall be bound by the decision of the Sapphire Valley Master Association's Environmental Control Committee as outlined in Restrictions and Covenants of the Holly Forest Association.

MAINTENANCE

The Board recognizes that the fixed assets of the Association represent a significant investment and their maintenance is of prime concern to the Board.

The Board directs the conduct of a continuous program of inspection, maintenance, and rehabilitation for the preservation of all buildings and equipment. Wherever possible and feasible, maintenance shall be preventive.

The Property Manager shall develop, for implementation by the maintenance staff, a maintenance program which shall include:

1. a regular program of facilities repair and conditioning;
2. the maintenance of a critical spare parts inventory;
3. an equipment replacement program;

POLICY FOR APPROVAL OF SIGNS

No person or organization, except the Association, shall erect or maintain upon any lot or improvement any sign or advertisement, unless prior approval is obtained from the Board with the following exceptions:

1. One sign shall be allowed giving the name of the house and/or owner and the address or lot number.
2. On an undeveloped lot an owner or real estate agent may display a sign that measures not more than 6" x 18", is neutral in color, and gives only the owner's name and lot number.
3. During the construction of a house a contractor may display only the lot number and owner's name on an unobtrusive sign that is intended to identify the job site.
4. Any advertisement of business or personal nature, whether displayed by the owner, a building contractor, business or a real estate firm are prohibited on any lot or Association property.
5. Signs may be used for directions to an open house or garage sale with permission from the HF Environmental Control Committee. Such signs may only be displayed during the hours of the scheduled event and must be removed at the end of each day. An Open House sign may not be used to promote the sale of a house that is under construction.
6. A real estate business card placed in one window of a house is acceptable.
7. Unauthorized signs will be removed by the Environmental Control Committee, Property Manager or Public Safety personnel.

Failure to adhere to the above conditions may result in a fine of up to \$1,000.

USE OF COMMON AREAS

"Common Area" means all of the real property designated as such in the Supplemental Declaration of Protective Covenants; all real property which may be later annexed to the Development as Common Area and all real property acquired by the Association, whether from the Developer or otherwise, together in each instance with all improvements which may be at any time constructed thereon, including, but not limited to, recreational and community facilities, lakes and parks and as stated in the Declaration of Protective Covenants of Holly Forest, Sections 1(d) and B. 1, 2, 3, and 4.

Non-percable lots owned by a developer and/or individual(s) may be accepted as a gift by the Board of Directors, provided:

1. The developer/individual will pay all costs for the transfer.
2. The Board of Directors through its Property Manager is assured that the Fairfield Sapphire Valley Master Association will not charge any assessments to the Holly Forest Association.
3. After agreement of the transfer of land, the Property Manager shall write the appropriate correspondence to the County, etc., so that the property is recorded as common area and is tax exempt.

NEW CONSTRUCTION IMPACT FEES

The Holly Forest Board's goal is to keep Sapphire Valley a lovely and desirable place in which to live and to be enjoyed by all members without having undue repair expense due to heavy construction traffic. Therefore, all new construction will be assessed a \$1,000 impact fee to offset wear and tear on the roads in Holly Forest due to construction traffic. This fee is to be collected for Holly Forest by the Environmental Control Committee upon approval of construction application.

In unusual circumstances a property owner may be unable to build after an impact fee has been collected. Upon written request from the property owner, a refund of this fee will be considered by the Board of Directors at the next regularly scheduled meeting based on each individual case.

VIOLATIONS OF COVENANTS

The Board of Directors has instructed that all owners seeking to make any improvements on their lot(s) be notified of the following:

Owners in violation of the Holly Forest Declaration of Protective Covenants are subject to a fine of up to \$1,000.00 per violation. Rectification of the violation may reduce the fine.

Owners are encouraged to read carefully the Environmental Control Committee's handout and the Association covenants as to owner responsibility. Owners are responsible for their contractors and any violation by their contractor.

The Board and the Environmental Control Committee are eager to assist any owner with reasonable requests in keeping with the overall environment. The goal is to keep the Holly Forest Association a lovely and desirable place in which to live and be enjoyed by all members.

RESIDENTIAL RESTRICTIONS

The following restrictions, not all inclusive of the residential restrictions of the Holly Forest Declaration of Protective Covenants, shall be applicable to all lots and parcels within the Development designated as residential in character and each Owner as to his lot or parcel, agrees to observe and perform the same:

- A. Maintenance of Lots.
All lots and parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such manner as to prevent their becoming unsightly, unsanitary or a hazard to health. If not so maintained, the Association shall have the right, through its agents to do so, the cost of which shall be added to and become a part of the annual assessment to which such lot is subject. Neither the Association nor any of its agents or contractors shall be liable for damage which may result from any maintenance work so performed.
- B. Fences.
All property lines shall be kept free and open and no fences, hedges or walls shall be permitted thereon without approval from the Environmental Control Committee.
- C. Animals.
No animals shall be kept or maintained on any lot except the usual household pets which shall be kept reasonably confined so as not to become a nuisance.
- D. Garbage and Refuse Disposal.
No owner shall burn trash, garbage or other household refuse without a permit from the Environmental Control Committee, nor shall any Owner accumulate on his lot junked vehicles or litter, refuse or garbage, except in receptacles provided for such purposes.
- E. Nuisances.
No noxious or offensive activities or nuisances shall be permitted on any lot.
- F. Concealment of Fuel Storage Tanks and Trash Receptacles.
Fuel storage tanks on any lot shall be either buried below the surface of the ground or screened to the satisfaction of the Committee. Every receptacle for

ashes, rubbish or garbage shall be installed underground or be so placed and kept as to not be visible from any road, lake or common area within the development, except at the times when refuse collections are made.

- G. Removal of trees.
No tree over three inches in diameter at the base may be removed or reduced in height by the traditional "topping" method without the prior written consent of the Environmental Control Committee. Trees may be reduced in height by the use of the "deep crotch cutting" or "snagged (sculpted)" methods of pruning without prior written consent, but the ECC must be advised of such pruning in advance of the work.
- H. Restrictions on Temporary Structures.
No travel trailer or tent shall be placed or erected on any lot nor shall any overnight camping be permitted on any lot until after the constructions of a dwelling thereon. At no time shall a mobile home be placed on a lot.
- I. Ditches and Swales.
Each owner shall keep drainage ditches and swales located on his lot free and unobstructed and in good repair and shall provide for the installation of such culverts upon his lot as may be reasonably required for proper drainage.
- J. Fires.
No owner shall burn any debris without a permit issued by agents of the Forestry Service, nor shall any owner or contractor leave fires unattended. The owner is responsible for the actions of their contractor, availability of water for extinguishing a fire and any damages to property of any owners or others.
- K. Enforcement.
Developer and each person to whose benefit this Declaration insures, including the Association, may proceed at law or in equity to prevent the occurrence, continuation or violation of any provisions of the Declaration or Policy & Procedures and the Court in such action may award the successful party reasonable expenses in prosecuting such action, including attorney's fees.

Owners in violation of the Holly Forest Declaration of Protective Covenants or Policy & Procedures are subject to a fine of up to \$1,000.00. Rectification of the violation may reduce that fine.

HOLLY FOREST PROPERTY OWNERS ASSOCIATION, INC.

BOARD RESOLUTION

To Supplement and Clarify Policy 508

RESIDENTIAL RESTRICTIONS

WHEREAS, the Board now deems it to be in the best interest of the Association to adopt uniform and systematic rules and standards to supplement and clarify Policy 508 and the current Declaration of Protective Covenants of Holly Forest, Article III, Section D Maintenance of Lots stating "All Lots and Parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such a manner as to prevent their becoming unsightly, unsanitary or a hazard to health."

WHEREAS, Holly Forest is a single-family residential subdivision. Having an attractive environment is important to all owners in order to maintain property value and an aesthetically pleasing environment for all to enjoy.

WHEREAS, Lot Owners have a wide latitude to maintain their homes in a way that is attractive to them; however, at times certain standards are required to ensure the consistency of a neighborhood, thus the need for clarifying the word unsightly.

NOW, THEREFORE, be it resolved by the Board of Directors of the Association, that the uniform standard for the determination of the term Unsightly, as used is Policy 508 and the Declarations of Protective Covenants of Holly Forest, is as follows:

Standard: What is "Unsightly"

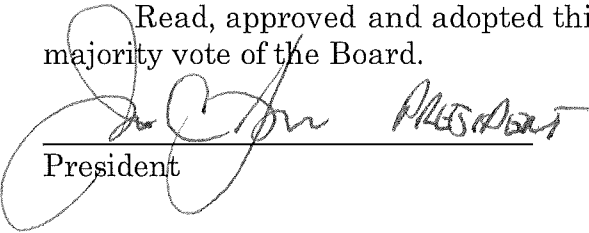
Webster's Definition of Unsightly: Anything hideous, ugly, unappealing, or unpleasing.

HOA's Definition: Unsightly can be best described by examples: Neglected property, specifically, excessive peeling paint, lack of paint or stain, boarded up windows, excessive lawn debris, leftover construction debris, unused dumpsters, garbage, litter, and abandoned vehicles, trailers, boats, campers, or commercial equipment; Missing roofing, foundations in deteriorated states, abandoned homes with broken and/or open windows; Any deterioration that puts the property in a state that can be seen by the passing public that shows neglect.

Enforcement: In the event that it is brought to the attention of the Holly Forest HOA that conditions exist on a Lot that may be unsightly, the Environmental Control Committee will make an initial evaluation of the condition of the Lot and provide its findings and determination to the property owner. The property owner may then

appeal such determination to the Board of Holly Forest HOA or voluntarily remedy the violation within a reasonable time frame. For an appeal, the property owner may request a hearing pursuant to North Carolina law and present evidence as to whether a violation exists. After such hearing, the Board will notify the property owner of its decision and the necessary repairs, if any. If the property owner fails to make the requested repairs, the HOA reserves all rights under North Carolina law including the right to make the necessary repairs and assess the homeowner for the cost of repairs.

Read, approved and adopted this the 19th day of May, 2020, by majority vote of the Board.



President

Secretary

HOLLY FOREST PROPERTY OWNERS ASSOCIATION, INC.

BOARD RESOLUTION

To Supplement and Clarify Policy 508

RESIDENTIAL RESTRICTIONS

WHEREAS, the Board now deems it to be in the best interest of the Association to adopt uniform and systematic rules and standards to supplement and clarify Policy 508, Section E and the current Declaration of Protective Covenants of Holly Forest, Article III, Section G Nuisances stating "No noxious or offensive activities or nuisances shall be permitted on any Lot."

WHEREAS, Holly Forest is a single-family residential subdivision. Having a peaceful and enjoyable environment is important to all owners in order to maintain property values and a pleasing atmosphere for all to enjoy.

WHEREAS, Lot Owners have a wide latitude in the use of their home and property; however, at times certain standards are required to prevent the unreasonable interference with another's use and enjoyment of their home and property, thus the need for clarifying the term Nuisance.

NOW, THEREFORE, be it resolved by the Board of Directors of the Association, that the uniform standard for the determination of a Nuisance, as used is Policy 508 and the Declarations of Protective Covenants of Holly Forest, is as follows:

Standard for Nuisance: The unreasonable interference with the use and enjoyment of one's property or home, whether such interference is intentional or unintentional.

A Nuisance may result from any offensive odor, noise, use of property, light pollution, visual appearance or like activity, which the Board of Directors, in its sole discretion, determines to violate the standard set out above.

A Nuisance may include, but is not limited to, the below activities:

1. Maintaining or keeping animals within the boundary of any Lot except dogs, cats or other usual and common household pets for noncommercial purposes; however, if those pets or other animals which are permitted to be kept make objectionable noise, endanger the health or safety of other residents or their pets the same shall constitute a nuisance.
2. Any activity which emits foul or obnoxious odors or creates a repeated level of noise or other condition which tend to disturb the peace or threaten the safety of the occupants of other Lots (this paragraph shall not preclude normal and customary use of power tools, lawn mowers, and other yard maintenance equipment).

3. Any activity which violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation.
4. Pursuit of hobbies or other activities which tend to cause an unsanitary or unsightly appearance to exist on one's Lot.
5. Outside burning of trash, debris or other materials.
6. The repeated act of using any loudspeaker, horn, whistle, or other sound device so as to be audible to occupants of other Lots between the hours of 10 PM and 7 AM, except alarm devices used exclusively for security purposes.
7. Use and discharge of firecrackers and other fireworks.
8. Dumping of potentially hazardous or toxic substance anywhere in the Association, including one's own Lot.
9. Discharge of firearms.
10. Operation of motorized vehicles on the roads of the Association which emit noise to such a level as to disturb the public order; however, nothing prevents the use of sirens associated with emergency vehicles.

Enforcement:

Consistent with North Carolina law, violations of these rules and policies will be treated in the following manner:

Notice of Violation: Any Lot Owner deemed to be violating these rules shall be given notice of the charge and the opportunity to be heard and to present evidence as to whether a violation exists.

Hearing: If requested by the Lot Owner, a hearing shall be held before the Board of Directors of the Association or an adjudicatory panel appointed by the Board to determine if any Lot Owner should be fined or if planned community privileges or services should be suspended for a violation of these rules.

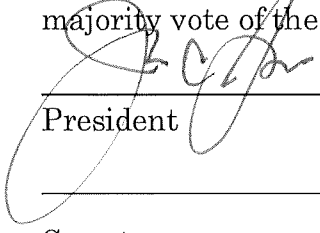
Decision: If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47F-3-116.

If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.


Notice of Decision: Every Lot Owner who requests a hearing as a result of a Notice of Violation shall be given notice of the decision. If such decision is from an adjudicatory panel appointed by the Board, the Lot Owner may appeal that decision to the full Board by delivering written notice of appeal to the Board within 15 days

after the date of the decision. The Board may affirm, vacate, or modify the prior decision of the adjudicatory panel.

Read, approved and adopted this the 22nd day of June, 2020¹, by majority vote of the Board.



President



Secretary

HOLLY FOREST PROPERTY OWNERS ASSOCIATION, INC.

BOARD RESOLUTION

To Supplement and Clarify Policy 508

RESIDENTIAL RESTRICTIONS

WHEREAS, the Board now deems it to be in the best interest of the Association to adopt uniform and systematic rules and standards to supplement and clarify Policy 508, Section A and the current Declaration of Protective Covenants of Holly Forest, Article III, Section D Maintenance of Lots stating "All Lots and Parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such manner as to prevent their becoming unsightly, unsanitary or a hazard to health."

WHEREAS, Holly Forest is a single-family residential subdivision with a significant number of mature trees located thorough out the subdivision. Having a safe environment, free from known hazards presented by dead or diseased trees or trees leaning prominently toward adjoining tract or the streets within the subdivision, is important to all owners in order to maintain property values and a pleasing atmosphere for all to enjoy.

WHEREAS, Lot Owners have a wide latitude in the maintenance of their property; however, at times certain standards are required to prevent the unreasonable interference with another's use and enjoyment of their home and property, thus the need for clarifying the maintenance requirement of Lots as such relates to trees.

WHEREAS, it is the intention of this Policy to establish standards of practice and best management practices that will assure a healthy, safe and beneficial community forest.

NOW, THEREFORE, be it resolved by the Board of Directors of the Association, that a uniform standard for the maintenance of Lots concerning any hazardous or dangerous trees is as follows:

Standard to determine whether maintenance is required: A Lot Owner is under a duty to eliminate a reasonably foreseeable danger a tree may pose to the public at large, utilities or other infrastructure.

Foreseeability of danger can be based upon a number of factors, including but not limited to: 1) whether a tree is dead or visibly dying; 2) whether the tree leans prominently toward an adjacent tract or road; 3) whether large limbs extend over structures, patios, walkways or an area where cars are parked; and/or 4) location of utilities or other infrastructure.

Policy to Address Tree Removal and Management: Upon the Association's discovery of any hazardous or dangerous tree, whether on its own accord or by way of a complaint, the Association will notify the specific Lot Owner of the potential for damage related to such tree.

Within sixty (60) days of such notification, the Lot Owner shall either remove the hazardous or dangerous tree or present sufficient evidence that such tree is not located on the Lot Owner's Lot and thus not the Lot Owner's responsibility.

If the Lot Owner believes that the tree is not a danger or that the hazard or danger posed by the tree can be avoided by removing less than the entire tree, then, within sixty (60) days of the notification, the Lot Owner shall present to the Committee a Tree Risk Analysis. The Tree Risk Analysis is a detailed and comprehensive assessment of the hazard or danger posed by the tree conducted by a certified arborist with a determination of how best to eliminate any hazard or danger. The Tree Risk Analysis must consider factors such as site characteristics, tree defects, conditions that affect the likelihood of tree failure, tree health, the species' profile, history of past tree failure and potential targets.

All tree work performed to eliminate the hazard or danger posed by any tree shall be performed in accordance with the ANSI A-300 Standards and follow industry Best Management Practices.

Enforcement:

If the Lot Owner fails to address the hazardous and dangerous tree, the Association may secure a Tree Risk Analysis and perform the recommendations contained therein. Consistent with Section III, D. of the Declaration of Protective Covenants of Holly Forest and Policy 508 A., the Association retains the right to enter onto the Lot to perform any such maintenance to eliminate the risk posed by the hazardous and dangerous tree. The cost of the Tree Risk Analysis and any required work shall be added to and become a part of the annual assessment to which such Lot is subject. Neither the Association nor any of its agents or contractors shall be liable for damage which may result from any maintenance work so performed.

Alternatively, consistent with North Carolina law, if the Lot Owner fails to address the hazardous and dangerous tree, the Association may choose to address the Lot Owner's failure in the following manner:

Notice of Violation: Any Lot Owner deemed to be violating this rule shall be given notice of the charge and the opportunity to be heard and to present evidence as to whether a violation exists.

Hearing: If requested by the Lot Owner, a hearing shall be held before the Board of Directors of the Association or an adjudicatory panel appointed by the Board to

determine if any Lot Owner should be fined or if planned community privileges or services should be suspended for a violation of these rules.

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 planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

Notice of Decision: Every Lot Owner who requests a hearing as a result of a Notice of Violation shall be given notice of the decision. If such decision is from an adjudicatory panel appointed by the Board, the Lot Owner may appeal that decision to the full Board by delivering written notice of appeal to the Board within 15 days after the date of the decision. The Board may affirm, vacate, or modify the prior decision of the adjudicatory panel.

Read, approved and adopted this the 21st day of September, 2021, by majority vote of the Board.



President



Secretary *VP*

ANIMALS

In support of Article III, Section I of the Protective Covenants of Holly Forest, no animals, other than those usually considered to be household pets shall be kept or maintained within the boundaries of the owner's lot, and such pets shall be reasonably confined so as not to become a nuisance.

For the purposes of this section, the term nuisance shall mean, but not be limited to, excessive barking of dogs, violent behavior displayed by any animal, or other behavior that restricts the quiet enjoyment of the neighboring lots. Further, when not within the boundaries of the owner's lot, all dogs must be kept on a leash.

If an owner's dog is found to be off of its owner's lot not on a leash or behavior of an owner's animal is in violation of this section, the Association shall have the right to issue a warning letter to the owner. If not corrected, then the Association shall have the right to levy a fine against the owner as covered in Policy 507, Violation of Covenants, and 508, Residential Restrictions, of the Policy and Procedures herein.

HOLLY FOREST PROPERTY OWNERS ASSOCIATION, INC.

BOARD RESOLUTION

To Supplement and Clarify Policies 508 and 509

And

In Support of Section III, Declaration of Protective Covenants

RESIDENTIAL RESTRICTIONS

WHEREAS, the Board now deems it to be in the best interest of the Association to adopt uniform and systematic rules and standards to supplement and clarify Policy 508 (Residential Restrictions) Section C, and Policy 509 (Animals), and in support of the current Declaration of Protective Covenants of Holly Forest, Article III, Section D Maintenance of Lots stating "All Lots and Parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such manner as to prevent their becoming unsightly, unsanitary or a hazard to health" and Article III, Section I, Animals, stating "No animal shall be kept or maintained on an Lot except the usual household pets which shall be kept reasonably confined so as not be become a nuisance."

WHEREAS, Holly Forest is a single-family residential subdivision with a number of families having young children and household pets. Having a safe environment, free from potential interactions with wild mammals, is important to all owners in order to maintain property values and a pleasing atmosphere for all to enjoy.

WHEREAS, Lot Owners have a wide latitude in the maintenance of their property; however, at times certain standards are required to prevent potential interactions with wild mammals, thus the need for clarifying each Lot Owners' maintenance requirement of Lots as such relates to feeding and attracting wild mammals to their Lots.

WHEREAS, Lot Owners have the ability to keep and maintain household pets on their Lots; however, at times certain standards are required to prevent attracting wild mammals, thus the need for clarifying each Lot Owners' maintenance requirement of household pets so as not to attract wild mammals to their Lots.

WHEREAS, it is the intention of this Policy to establish standards to limit and potentially prevent unintentionally interactions with wild mammals that will assure a healthy, safe and beneficial community for all Lot Owners.

NOW, THEREFORE, be it resolved by the Board of Directors of the Association, that a uniform standard for the maintenance of Lots and the keeping and maintenance of household pets is as follows:

Feeding of Wild Mammals, in particular Black Bears, is Prohibited.

Definitions.

"**Attractant**" as used in this Policy will include any substance which could reasonably be expected to attract a Wild Mammal or does attract a Wild Mammal or other animals.

"**Wild Mammal**" as used in this Policy shall include any mammal which is not normally domesticated in this state, including but not limited to, black bear, deer, coyote, fox, opossum, raccoon, and skunk.

Prohibitions.

- A. No Lot Owner shall knowingly, willingly or intentionally feed, or in any manner provide access to food, to any Wild Mammal.
- B. No Lot Owner shall knowingly, willingly or intentionally leave or store any Attractant, including but not limited to garbage, refuse, food product, pet food, grain or feed, potentially including bird seed, in a manner designed to attract any Wild Mammal or other animals.
- C. No Lot Owner shall place, expose, deposit, distribute or scatter any edible material or Attractant anywhere within Holly Forest for the purpose of feeding or enticing Wild Mammals.

Exceptions.

- A. Bird feeders are allowed but efforts must be made to make such feeder inaccessible to Wild Mammals.
- B. Household pets may be feed outside but only single portions should be used and uneaten food must immediately be brought in once the pet is finished so as to avoid becoming an Attractant.

Resources.

- A. Additional information about black bears, safety tips, bird feeders, and encounters with bears, etc., may be found at: <https://bearwise.org/>

Enforcement:

Consistent with North Carolina law, violations of these rules and policies will be treated in the following manner:

Notice of Violation: Any Lot Owner deemed to be violating these rules shall be given notice of the charge and the opportunity to be heard and to present evidence as to whether a violation exists.

Hearing: If requested by the Lot Owner, a hearing shall be held before the Board of Directors of the Association or an adjudicatory panel appointed by the Board to

determine if any Lot Owner should be fined or if planned community privileges or services should be suspended for a violation of these rules.

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 planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

Notice of Decision: Every Lot Owner who requests a hearing as a result of a Notice of Violation shall be given notice of the decision. If such decision is from an adjudicatory panel appointed by the Board, the Lot Owner may appeal that decision to the full Board by delivering written notice of appeal to the Board within 15 days after the date of the decision. The Board may affirm, vacate, or modify the prior decision of the adjudicatory panel.

Read, approved and adopted this the 21st day of September, 2021, by majority vote of the Board.



President



Secretary *VP*

JUNKED VEHICLES

In support of Article III, Section J of the Protective Covenants of Holly Forest, no owner shall accumulate on his lot any junked vehicles of any type. For the purposes of this section, "junked vehicles" shall mean any vehicle parked or kept on a lot without a current license tag or registration in any state, any vehicle without wheels or tires, or any vehicle that cannot be moved on its own accord but requires moving.

If any owner is found to be in violation of this section, the Association shall have the right to issue a warning letter to the owner, and if not corrected, to levy a fine against the owner as covered in Policy 507, Violation of Covenants, and 508, Residential Restrictions, of the Policy and Procedures herein.

STORAGE OF BOATS, TRAILERS, CAMPERS, ETC.

All lots and parcels within Holly Forest are subject to the provisions of the Declaration of Protective Covenants of Holly Forest, the appropriate Supplemental Declarations, the By-Laws and these Policy & Procedures.

No activity which may be considered offensive or noxious by reason of sound, appearance or sight shall take place on or within any Lot or Parcel which may be or become an annoyance or nuisance to Owners or occupants of other Lots. Article III, Section (D) and (G).

All boats and/or trailers shall be registered and stored at designated sites as required by the Fairfield Sapphire Valley Master Association, the office of the Director of Amenities (743-1164) or stored at commercial sites.

Temporary visitors of members and associate members who arrive with recreational vehicles or with a boat may park their vehicle and/or boat and/or trailer in Sapphire Valley Master Association designated areas.

Owners, guests, renters, tenants and regular occupants may take their recreational vehicles or boats to their homes for loading and unloading for a period not to exceed twenty-four (24) hours. Property Management may approve a three (3) day parking allowance for temporary vehicles and/or boats on Owner's property.

Owners of Lots on which a residence has been erected and occupied whose sole means of transportation are campers, recreational vehicles or any other self-contained vehicle may park them on the owner's driveway. The vehicle shall not be used as living quarters and shall not be parked on roads and road shoulders.

If any owner is found to be in violation of this section the Association shall have the right to issue a warning letter to the owner and if not corrected, to levy a fine against the owner as covered in Policy 507, Violation of Covenants, and 508, Residential Restrictions, of these Policy & Procedures.

HOLLY FOREST PROPERTY OWNERS ASSOCIATION, INC.

BOARD RESOLUTION

To Supplement and Clarify Policy 511

ROADS – PROHIBITION ON PARKING

WHEREAS, the Board now deems it to be in the best interest of the Association to adopt uniform and systematic rules and standards to supplement and clarify Policy 511 and the current Declaration of Protective Covenants of Holly Forest, Article II, Section C.2. regarding the use of roads.

WHEREAS, Holly Forest is a single-family residential subdivision. Having a safe environment free from any hazards is paramount.

WHEREAS, In order to maintain property values within the Association, it is necessary to have and keep an aesthetically pleasing environment for all to enjoy.

WHEREAS, parking vehicles in the road right of way creates not only safety concerns for residents and visitors but an unsightly and unattractive appearance.

NOW, THEREFORE, in order to create and maintain a safe environment and protect and preserve property values, the Board hereby adopts the following rules and regulations for parking in and on the road right of way within the Holly Forest community to become effective on the date of adoption.

RULES AND REGULATIONS:

1. All passenger vehicles, including but not limited to cars, vans, pickup trucks and sport utility vehicles, owned or operated by any Lot Owner, their family members, guests, tenants, or other regular occupant, must be parked in the driveway located on the Lot.
2. Parking of any type vehicle in and on the road or right of way within Holley Forest community is strictly prohibited except as allowed below.
3. Parking in and on the road or right of way is allowed in the following limited circumstances:
 - a. Owners, their family members, guests, tenants and other occupants may park their trailers, campers, boats, recreational vehicles or other non-passenger vehicles in and on the road or right of way for no more than 24 hours when loading and unloading.
 - b. Owners, their family members, guests, tenants and other occupants may park their passenger vehicles in and on the road or right of way for no more than 24 hours when needed for overflow parking.
 - c. Construction or other work vehicles may park in and on the road or right of way during normal work hours when performing work for any Lot Owner.

4. No Lot Owner may improve the right of way located on its Lot for the purpose of parking.
5. Any damage to the road or right of way related to parking shall be immediately repaired by the Lot Owner, tenant or other occupant.

Enforcement:

In the event any Lot Owner violates the rules and regulations established for parking, Public Safety will issue a warning ticket to the Lot Owner, its guest, tenant, or other occupant at that time. After the second warning, a fine not to exceed \$50.00 will be issued to the Lot Owner. The Lot Owner may voluntarily pay the fine or appeal such determination to the Board of Holly Forest HOA.

For an appeal, the Lot Owner may request a hearing pursuant to North Carolina law and present evidence as to whether a violation occurred. After such hearing, the Board will notify the Lot Owner of its decision and the fine, if any.

In the event a Lot Owner, its guest, tenant or other occupant at that time damages the road or right of way due to parking, the Environmental Control Committee will make an initial evaluation of the condition of the Lot and provide its findings and determination to the Lot Owner. The Lot Owner may then appeal such determination to the Board of Holly Forest HOA or voluntarily remedy the violation within a reasonable time frame.

For an appeal, the Lot Owner may request a hearing pursuant to North Carolina law and present evidence as to whether a violation exists. After such hearing, the Board will notify the Lot Owner of its decision and the necessary repairs, if any. If the Lot Owner fails to make the requested repairs, the HOA reserves all rights under North Carolina law including the right to make the necessary repairs and assess the Lot Owner for the cost of repairs.

Conflict with existing Policy 511

In the event of a conflict between the provisions of this rule and the current Policy 511, this rule prevails except to the extent it is inconsistent with North Carolina law.

Read, approved and adopted this the 19th day of May, 2020, by majority vote of the Board.



President

Secretary

SATELLITE DISHES, RADIO AND TV ANTENNAE

In support of Article I, Section (I) "Improvement, antennas and any other structure of any type or kind," and Article III, Section M, "Removal of trees" in the Declaration of Protective Covenants of Holly Forest, no lot or parcel owner shall install a satellite dish or radio and/or TV antennae unless the following provisions are followed and obtained.

Inconspicuously placed satellite dish type antennae must be considered and approved by the Environmental Control Committee (ECC) prior to placement. The dish must be at least ten (10) feet from any lot line and/or road way and should not be placed within an easement, preferably, not visible from the road unless these restrictions would result in the homeowner being unable to access the satellite. In that event, the ECC shall investigate the situation on-site and, if it is verified that satellite TV service would not be possible without violating the provisions herein, a variance shall be granted. Satellite dishes may be placed on the roof, attached to the chimney or side of the house, with prior ECC approval. Permission to remove any trees for the placement of a dish must be obtained from the ECC.

Radio and TV antennae will be considered and permitted and must be approved in advance by the ECC. The antennae must be mounted on the roof, attached to the chimney or to the side of the house and the completed antennae may not exceed more than fifteen (15) feet above the highest roof peak. Separate tower-mounted antennae will be considered on a case-by-case basis.

If any owner is found to be in violation of this section, the Association shall have the right to issue a warning letter to the owner and if not corrected, to levy a fine against the owner as covered in Policy 507, Violation of Covenants, and 508, Residential Restrictions, of these Policy & Procedures.

CONTRACTORS, BUILDERS AND/OR CONSTRUCTION

As stated in this Holly Forest Policy and Procedure Manual in the Mission Statement, dated June 16, 1998, "The Holly Forest Association is committed to enhance 1) the quality of life, 2) a quality environment and 3) property values for all property owners."

The Holly Forest Board of Directors and the ECC have experienced that the delivery and set up of large modular buildings and their components have resulted in severe damage to Holly Forest roads; adjacent ditches; culverts; swales; trees and landscape. This method of construction of large modular buildings and their components necessitates the cutting of an unacceptable number of trees, both to accommodate the delivery of the large convoys, the need for heavy equipment and the positioning of the units. Therefore, this policy is intended to alert property owners and homebuilders that these offsite methods of construction are unacceptable in Holly Forest and will not be approved by your ECC.

All new construction and/or remodeling of existing buildings shall meet North Carolina and Jackson County building codes and regulations. In support of the Declaration of Protective Covenants of Holly Forest, Article III, Section G Nuisances, No noxious or offensive activities or nuisances shall be permitted on any Lot. Therefore, as owners and builders begin and progress in construction of homes or other approved facilities, they shall:

1. Assure that no field work, including lot clearing, building or other types of construction work are permitted between dusk and daybreak, specifically the hours of 8:00 pm and 7:00 am; all day on Sunday; and observed legal holidays.
2. Provide one temporary toilet facility equivalent in sanitary effectiveness to a "Johnny on the Spot" and placed at a location to be least offensive to people in adjoining houses, on the golf course or on the lake.
3. Provide adequate containers for the placement of trash. The prime contractor will be responsible that his workmen as well as those of his sub-contractors make use of the containers. Littering of the job site and adjacent properties with the builder's trash, empty bottles and cans, paper wrappers, etc. will not be tolerated.
4. Assure that building materials are not stored on roadways, edge of roadways or adjacent lots. All building materials are to be stored neatly and orderly.
5. As licensed prime contractors, be responsible for the actions of any subcontractor that they may employ. Failure to abide by any of the policies

and general rules of Holly Forest, or failure to cooperate with the Environmental Control Committee will most definitely jeopardize a Contractors' ability to obtain future approvals from the ECC.

6. As the Contractor, minimize the adverse effect the construction may have on the surrounding neighbors and the community. Parking of all vehicles (construction and employee) shall be on one side of the road only (not both sides). Overnight parking of construction vehicles is prohibited on the roadways of Holly Forest.
7. Assure that all construction employees, sub-contractors and suppliers obey the stop signs and speed limits while driving inside Holly Forest. The prime contractor shall be responsible for insuring adherence to these rules.
8. The owner is primarily responsible for the actions of the building contractor and for informing of and insuring adherence to these rules.

If any owner is found to be in violation of this section, the Association shall have the right to issue a warning letter to the owner with a copy to the contractor/builder, and if not corrected, to levy a fine against the owner as covered in Policy 507, Violation of Covenants, and 508, Residential Restrictions, of the Policies and Procedures herein.