

Lake Royale Rules & Regulations

Each member and their family, as well as their guests, shall be subject to the following Rules and Regulations (R&R) adopted and promulgated by the Lake Royale Board of Directors. The POA and/or individual property owners (PO) are the only party(s) that can enforce the R&R, Restrictive Covenants and By-laws. The Lake Royale Company Police may report infractions to the POA, but compliance shall be enforced by the POA.

Some areas in the EXISTING By-laws and Restrictive Covenants need additional information to help clarify their meaning. Those that need further clarification follow.

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Building Committee (BC) Rules and Specification Guidelines

followed
by

Part II

Administration and Other Guidelines

For both Franklin and Nash Counties

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REFERENCES TO GENDER WILL
BE MEANT TO INCLUDE ALL
GENERS

Lake Royale

Rules & Regulations

Part I

Building Committee (BC) Rules and Specification Guidelines

NOTE: Article & Section #'s below correspond to the SAME #'s found in the USER'S GUIDE Table of Contents

Article 3 General Guidelines - ALL Lots

- 1) All construction must conform to the North Carolina building codes as minimum standards.
- 2) Extensions on any permit issued by the BC or LRPOA staff (issued for six (6) months) may be renewed once for an additional six (6) month period for a combined total of twelve (12) months from the date of the original issued permit for the particular work described thereon. The extension may be issued by the BC or the LRPOA office staff. No fee shall be required. After the twelve (12) month period has expired, if the work has not been completed, a new permit is required including all fees.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

"The only construction permitted prior to construction of a house in the residential area or a cottage in the camping area or the placement of a camping unit in the camping area, is the construction of a boathouse, boat slip, bulkhead (seawall) and/or dock, with the exception that in the entire camping area a storage building may be constructed or installed at any time."

Section 3.2. Awnings

- 1) Awnings are permitted.
- 2) NO building permit is required from the BC.

Section 3.3. Breezeway

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) A property owner may build a breezeway between their main dwelling and an unattached structure, like an unattached garage.
- 3) All setback regulations apply.

Section 3.4. Bridge - Auto and Foot

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) A bridge may be built on their property to span a creek, stream, waterway, etc.

Section 3.7. Cabana (poolside)

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.

Section 3.8. Carport (Unattached)

- 1) The “sides” of the roof cannot extend more than twenty-four (24) inches down from the top of the roof.
- 2) Although Franklin County does not require a permit if carport is pre-built, Lake Royale BC does.
- 3) Roofline of the carport cannot be higher than the roofline of the principal building (house or camping unit) per Franklin County UDO.
- 4) Roof pitch shall not be less than 4/12 nor more than 7/12.
- 5) Carports may be metal or stick (wood) built.
- 6) A carport being used as a roof over is not permitted.

Exception: Metal carports that have been used as a roof over a camper with a permit dated prior to March 2, 2004 will be permitted. If the carport is removed or destroyed, it will not be allowed to be replaced as a roof over.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

Residential and Camping Carports (Unattached):

- 1) *Property owner must have a Building Permit from the BC prior to the start of installation or construction.*
- 2) *Property owner shall be allowed to construct one (1) site built carport or place one (1) pre-fabricated carport on each lot.*
- 3) *May have up to two unattached accessory structures for storage purposes on each lot.*
 - a) *The following combinations of unattached accessory structures shall be permitted. **Either:***
 - 1) *An unattached garage and an unattached storage building, OR*
 - 2) *An unattached carport and an unattached storage building, OR*
 - 3) *Two unattached storage buildings.*
 - b) *A combination of a carport and a garage shall **not** be allowed.*
- 4) *Said carport must not exceed 24 feet by 30 feet in size.*
- 5) *It must comply with all setback regulations.*
- 6) *It must be single story.*
- 7) *It must not be located over an existing or future septic tank, or its drain fields.*
- 8) *It may have screening and/or open lattice.*

NOTE - for additional information on Carports, Garages and/or Storage Buildings, see Rules and Regulations (Part I)”

Camping (only):

“One (1) unattached garage will be allowed on each camping lot, in lieu of a carport.”

*“Any camping lot owner(s) shall be allowed to erect or place one commercially produced utility or **STORAGESHED** (or a shed of equivalent construction and appearance) on each lot, said shed to be a four-sided enclosed structure of not more than one hundred and forty four (144) square feet and must comply with the setback requirements, and be approved by the Property Owners Association prior to placing the same on any lot. Such utility or storage building may not be used for living or camping purposes, but only for storage purposes.”*

Section 3.14 Encroaching on POA Property

- 1) A property owner shall be responsible for the installation and maintenance of improvements on POA rights-of-way (includes approved structures, culvert pipes, plantings, etc.) at their own expense.
- 2) Because this is an encroachment on the POA rights-of-way, the property owner must sign an 'Encroachment Agreement' (available at the POA office) prior to installation of the above mentioned approved structure(s), culvert pipe, etc.
- 3) The POA will charge a maintenance fee, if not done regularly by the property owner.

Section 3.15 Fences

- 1) Property owner must apply for a Building Permit from the BC and have it approved by them prior to the start of installation or construction. Exception: See # 8 (Pet Enclosure) below that follows.
- 2) A fence may be placed one (1) foot from the property line, or on the property line if agreed to by the adjacent property owners. **This matter shall not be verbal but agreed upon between the two property owners in writing, and passes to subsequent property owners, with written record of this on file at the POA office.**
- 3) **Placement:** Be aware of the easements described in the existing Restrictive Covenants under Section 11 'Utility Easements'. Although you are allowed to place a fence within these easements ON YOUR OWN PROPERTY, you must understand that you could be required to remove the fence at some later date if it causes difficulties for the assigns/licenses working within the easement.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

"The developer for itself, its successors, assigns and licensees, reserves an easement upon all sixty (60) foot road rights-of-way, reserves a fifteen (15) foot wide easement along all road rights-of-way and a five (5) foot wide easement along the side and rear lines of each and every lot for the purpose of installing, operating and maintaining television cables, utility lines and mains thereon together with the right to locate guy wires, braces and anchors wherever necessary for said installations, operations or maintenance together with the right to install, operate and maintain gas and water mains, sewer lines, culverts, and drainage ditches and other services and appurtenances thereto for the convenience of the property owners, reserving also the rights of ingress and egress to such areas for any of the purposes mentioned above. Exceptions: (1) where an owner of two or more adjoining lots constructs a building which shall cross over or through a common lot line, said common lot line shall not be subject to the aforementioned five (5) foot easement unless it is shown on recorded plats; (2) no easement shall exist on that portion of any water front lot running along or abutting the shoreline of any lake within Lake Royale Subdivision unless shown on the recorded plats, except, however, Lake Royale Corporation, for itself, its successors, assigns, and licensees, reserves the right to cause or permit drainage of surface water over and/or through said lots."

- 4) **Non-Waterfront and Non-Corner lot:** A maximum six (6) foot high fence of chain link, vinyl, wood or wrought iron will be allowed from the back corners of the house or camping unit to the rear of the lot and along the rear lot line.
- 5) **Waterfront Lot:** Only chain link, vinyl, wood or wrought iron fences (All fence types shall be open) will be allowed from the back corners of the house or camping unit to the rear of the lot and along the rear lot line (shoreline).
 - a) These fences may not exceed four (4) feet in height. Exception: Pet enclosures. See Pet Enclosures in this section.

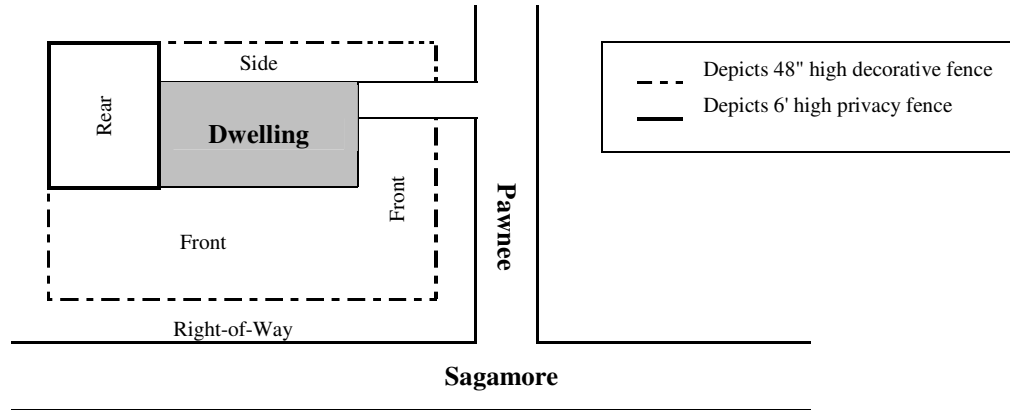
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6) **Corner Lot:**

- a) A maximum six (6) foot high fence may enclose the rear yard. See diagram below.
- b) All other property may be enclosed with a decorative fence not to exceed forty-eight (48) inches in height.

NOTE: A corner lot setback has two (2) front yards, per County UDO. See following example:



- 7) **Front and Side Yard:** A decorative fence not to exceed forty-eight (48) inches in height will be allowed to enclose the front and side yard. It may be continuous or have an opening between (gaps).
- 8) **Pet Enclosure:** A separate chain link fence up to six (6) feet in height may be installed in the backyard for the purpose of enclosing pets.
 - a) Enclosure fence may not exceed two hundred (200) square feet (ex: 10'x20')
 - b) NO permit is required from the BC.
- 9) **Permanent Walls:** See Section 3.45. 'Walls (Stone)' in this listing (Part I) for additional information.
- 10) **Swimming Pool Enclosure:** See Section 3.40. 'Swimming Pool (Private)' in this listing (Part I) for additional information.

Section 3.16. Gazebo (Unattached)

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) One (1) gazebo is allowed per lot.
 - a) It may be a pre-fabricated unit, or site built.
- 3) Requires a County permit:
 - a) If electric or water is installed, regardless of size.
 - b) If any wall dimension exceeds 12 feet.
 - c) A copy of any County permit must be provided to the BC.
- 4) It must be 10 feet from any other structure (includes the main dwelling), per County UDO.
- 5) The gazebo may remain open or may be screened.
- 6) All setback regulations apply.

Section 3.17. Geothermal System

- 2) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 3) All Geothermal Systems shall be limited to a closed loop system at Lake Royale.

Section 3.18. Greenhouse

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) One (1) greenhouse is allowed per lot for PERSONAL USE ONLY, not for commercial use.
- 3) It may only be one story.
- 4) It may only be a maximum 200 square feet (ex: 10'x20').
- 5) Roof must be transparent, opaque or non-existent.
- 6) It may be a pre-fabricated unit or site built.
 - a) If attached to the dwelling, it requires a Franklin County permit, regardless of size.
 - b) If unattached:
 - 1) Any horizontal dimension exceeding 12 feet requires a Franklin County permit.
 - 2) It must be 10 feet from any other structure (including the main dwelling).
- 7) Any size greenhouse having electricity and/or water requires a Franklin County permit.
- 8) All setback regulations apply.
- 9) Greenhouse counts as one of the two allowed accessory structures

Section 3.20. Handicapped Structures

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) No fee is required for the permit.

Section 3.21. Hot Tub (Exterior)

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) Any size exterior hot tub having electricity and water requires a County permit, with a copy to the BC.
- 3) All setback regulations apply.

Section 3.22 Lean-to

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) Roof extends from an existing structure and one (1) side must be open.
 - a) No lean-to may be attached to or touch any dwelling.
 - b) Two (2) sides may be covered with open lattice.
- 3) All setback regulations apply.

Section 3.25. Nonconforming Situations

- 1) Approved Nonconforming situations that for which a permit was issued or otherwise approved through documentation of a POA official body (Committee, General Manager and CC&R Inspector) shall be allowed to continue without correction required from the Property Owners Association. No person may engage in any activity that causes an increase in the extent of the nonconformity of a nonconforming situation. Nor can a nonconforming use be extended to additional buildings or to land outside the original structure.
- 2) The administrator shall issue documentation to be included in the property owner's file describing the current non-conforming situations.

Section 3.27. Permits for Existing Structures after Purchasing Property

Some property owners are finding out they have un-permitted structures that were built before they purchased the property. In such cases:

- 1) Property owner must apply to the BC for the respective Building Permit(s).
- 2) No permit fee or penalty fee will be charged within the first ninety (90) days of the properties purchase closing date.
- 3) After the ninety (90) day period, all respective fees will apply.

Section 3.33. Replacing an Existing Structure

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) No fee is required to obtain a building permit providing it was originally permitted and the dimensions are not changed.
- 3) Replacement must comply with current By-laws, Restrictive Covenants and Rules and Regulations.
- 4) Metal carports that have been used as a roof over a camper with a permit dated prior to March 2, 2004 will be permitted, but if the carport is removed or destroyed, it will not be allowed to be replaced as a roof over.

Section 3.38. Structures Older than 01/01/2000 (Compliance Procedure)

Compliance Procedure:

- 1) All property owners will be forgiven the need for pre-recorded building permits for approved structures erected prior to January 1, 2000, upon presentation to the Building Committee (BC) of a current plot plan.
 - a) The plot plan must show the location of all existing structures and fences, distances from all property lines, the location of the driveway and parking areas, as well as the location of the septic tank and its drain field.
- 2) Upon receipt of same, the POA staff will issue a ‘*Certificate of Compliance*’ to be placed in the property owner’s file. This step will ensure that future buyers will not have the current problem of having to justify the existence of all structures on their property, the history of which might be unknown to the current owner.
- 3) No fees will be imposed by the BC for structures created prior to January 1, 2000.
- 4) The ‘*Certificate of Compliance*’ will not forgive any county, state or federal liens as well as Lake Royale By-laws, Restrictive Covenants or Rules and Regulations of which the property owners might find themselves in violation.

Section 3.40. Swimming Pool (Private)

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
 - a) Exception: Children’s pools not exceeding 300 gallons of water do not require a permit.
- 2) All setback regulations apply, including 50 feet from the shoreline.
 - a) See Franklin County UDO setback regulations.
- 3) All pools must be equipped with Cartridge type filtering systems.
- 4) Fence Enclosure: Private swimming pools must be fenced and maintained in accordance with Franklin County’s UDO.

Section 3.45 Walls (Stone)

Walls can be made of concrete, stone, brick, masonry, and the like, and may include retaining walls for terracing purposes.

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) Placement: Subject to all easement restrictions.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“The developer for itself, its successors, assigns and licensees, reserves an easement upon all sixty (60) foot road rights-of-way, reserves a fifteen (15) foot wide easement along all road rights-of-way and a five (5) foot wide easement along the side and rear lines of each and every lot for the purpose of installing, operating and maintaining television cables, utility lines and mains thereon together with the right to locate guy wires, braces and anchors wherever necessary for said installations, operations or maintenance together with the right to install, operate and maintain gas and water mains, sewer lines, culverts, and drainage ditches and other services and appurtenances thereto for the convenience of the property owners, reserving also the rights of ingress and egress to such areas for any of the purposes mentioned above. Exceptions: (1) where an owner of two or more adjoining lots constructs a building which shall cross over or through a common lot line, said common lot line shall not be subject to the aforementioned five (5) foot easement unless it is shown on recorded plats; (2) no easement shall exist on that portion of any water front lot running along or abutting the shoreline of any lake within Lake

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Royale Subdivision unless shown on the recorded plats, except, however, Lake Royale Corporation, for itself, its successors, assigns, and licensees, reserves the right to cause or permit drainage of surface water over and/or through said lots.”

- 3) Permanent masonry walls shall have the same height and design guidelines as fences. See ‘Section 3.10 Fences’.
- 4) No permanent wall (concrete, stone, brick, masonry, etc.) shall be closer than five (5) feet to any property line and must be inside the owner’s property line pins.
- 5) Retaining Walls: They help prevent erosion.
 - a) A building permit is necessary from the BC with a plot plan, but no fee is required.

Article 4. Lot Development Guidelines - All Lots

All construction must conform to the North Carolina building codes as minimum standards.

Section 4.1. Clearing of Lot

Trees add value to a lot; prevent erosion and stops silt from eventually going into the lake.

- 1) A ‘Soil and Erosion Permit’ must be obtained at the POA office before any clearing or mechanical activity takes place on a lot.
- 2) A silt fence must be installed properly (see Section 4.9 ‘Silt Fence’) within twenty-four (24) hours whenever any portion of the ground in excess of one-hundred (100) square feet (excluding gardens) is laid bare.
- 3) Lot number and street address must be posted on the lot and be visible from the street. Lot number is to be removed after project is completed.
- 4) All boundary survey stakes must be clearly visible.
- 5) Also see Section 4.9. ‘Silt Fence’ in this listing (Part I) for additional information.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“In order to preserve the natural state of portions of Lake Royale Subdivision, the cutting of trees, shrubs, and natural ground cover in those areas designated as drainage easements as appear on plats of Lake Royale Subdivision as recorded in the Offices of the Register of Deeds of Nash and Franklin Counties is prohibited except for the installation of utility services or the written approval of Lake Royale Property Owners Association, Inc.”

Section 4.2. Driveways

Driveways must be constructed in such a way as to minimize drainage and the tracking of mud and gravel that can damage roadways. Proper ditches, ditch lining and culverts (where applicable) must be installed prior to clearing and construction.

- 1) Prior to the start of any clearing/development on a lot, property owner must first obtain the following permits from the POA office:
 - a) ‘Soil and Erosion Permit’.
 - b) ‘Driveway Construction Permit’ - The following explains what is required to obtain a ‘Driveway Construction Permit’ from the POA office.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“Effective July 17, 2005, and thereafter, all property owners installing a new driveway must put in a minimum fifteen (15) foot long by twelve (12) foot wide concrete or asphalt apron abutting the road.”

- Driveway apron must be completed within one year of the driveway permit issue date. Properties that are on un-paved roads and receive a driveway permit after July 17, 2005 will have six months to install a concrete or asphalt apron once the road has been paved in front of their property.
- Minimum fifteen (15) foot long is measured from the road into the lot
- Minimum twelve (12) foot wide is measured along the roadway

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Requirements for Driveways - All Lake Royale Lots

Prior to any development of a lot within the Lake Royale Community which will include the disturbance of soil or the moving of equipment to commence grading, clearing, bringing in of fill dirt, etc. an approved driveway must be installed.

The property owner is responsible to see that the following steps are done:

- 1) Locate your property boundary pins and ensure they are marked clearly.
- 2) Clearly display your lot number so it is visible from the street.
- 3) Draw a plot plan, which clearly shows the location of the driveway. This drawing must include dimensions.
- 4) Submit these plans for the driveway to the POA office. Within seventy-two (72) hours, the Covenants, Conditions & Regulations Inspector (henceforth CC&R Inspector) will perform a "Pre-construction Driveway Inspection" for compliance with the driveway regulations. Upon approval of the driveway design, the property owner must apply to the POA office for a 'Driveway Construction Permit'. Submit the completed "Pre-Construction Driveway Inspection" form to the POA office staff with \$75.00. This \$75.00 is a non-refundable fee.
- 5) Once the POA office has issued the 'Driveway Construction Permit', driveway construction may begin.
- 6) Upon completing driveway construction, call the POA office at 252-478-4121 to advise them that the driveway construction has been done. Within seventy-two (72) hours, the CC&R Inspector will perform a final inspection of the completed driveway. Providing all requirements have been met and no damage was caused to POA roads or common property, the CC&R Inspector will close the driveway permit file and indicate that no damage was done.
- 7) In the event any damage is done to any POA property during the driveway construction process, a damage assessment will be charged to the property owner.

Driveway Requirements

OVERVIEW

It is not the intent of the POA to bog down either the property owner or the builder/contractor with regulations. Due to inconsideration and abuse by a few that damaged POA property and installations of culvert pipes (which have resulted in serious maintenance problems in the past); the following requirements have been implemented.

CC&R Inspection - He or she will ensure that:

- A. The driveway (and pipe if required) are installed:
 - 1) To allow proper drainage from the road system.
 - 2) To allow road maintenance (mowing and future ditch work) to be performed effectively.
 - 3) To minimize immediate and future erosion problems.
 - 4) So that the property owner will have a durable driveway.
- B. During the construction of the driveway and structure(s), that minimal impact to the road system will occur. This includes actual pavement damage as well as to minimize the tracking of mud and soil onto the pavement.

DAMAGES

The property owner is ultimately responsible for any damages to POA property caused by the construction of the driveway and structure(s) or of the moving of equipment to and from the construction site. The cost of repair of those damages will be charged to the property owner's account.

SPECIFICATIONS

POA Ditch Line: The existing ditch may not be ideal for installation of a driveway. In these cases, it should be brought into good shape prior to proceeding with the drive installation. In some cases, attention by the POA Maintenance Department may be required. If so, it will be scheduled as soon as weather and other workloads permit. In other cases, minor cleaning of the water channel may be all that is required. If the property owner would like to perform such work, plans and all completed work shall be to POA specifications, inspected and signed off by the CC&R Inspector and Maintenance Director.

Location: Avoid locating the driveway access in curves and just over hills where visibility to traffic may be a problem. Avoid access directly into an existing intersection.

Heavy Equipment: The mobilization of this equipment presents its own problems. Until the driveway is constructed, the truck/trailer may not be able to pull onto the lot to unload. There may not be an area suitable to unload equipment on the shoulder of the road directly adjacent to the property, thus track type equipment may have to operate across the pavement. In some cases, there may not be the space for track type equipment to operate to initially install the drive without working on the pavement. In the initial removal of the debris, there is no driveway to pull into and it must be loaded from the edge of the pavement if the ditch is not shallow enough so the truck can cross onto the lot. **Under no circumstances** is track type equipment to be operated on any portion of the paved road without following approved method for driving track operated equipment on the pavement. Operation of track type equipment on the pavement will result in the assessment of damage fees to the property owner. Trailer ramps are a likely source of damage to the pavement and appropriate caution should be taken. Equipment/trailers shall not be parked at any time on the paved portion of the road.

Crossing Paved Road with Track Equipment: To cross the paved road with track equipment, the pavement should be protected with either old tires or boards. This serves two purposes:

- 1) It protects the pavement from damage of the steel tracks.
- 2) It helps to more evenly distribute the weight of the machine.

Special care should be taken on the pavement edge as it is the most easily damaged portion of the paved road by track type equipment.

Ditch Pipe Sizing: Each driveway installation will have different factors that affect the required size of under driveway drain pipe. Even occasionally, no pipe may be required. As a standard, the minimum acceptable pipe size that will be allowed is fifteen (15) inches IPS (inside pipe size). Research by the NCDOT has shown that litter and debris that are normally found on the roadside can easily plug a pipe smaller than fifteen (15) inches IPS. The minimum pipe length that will be approved is sixteen (16) feet. The maximum pipe length for a one (1) entrance driveway is thirty-two (32) feet, and twenty-four (24) feet for a two (2) entrance driveway. All conditions will be evaluated by the CC&R Inspector on a case-by-case basis to determine the required pipe size.

Ditch Size Material: NCDOT approved reinforced concrete pipe or double walled corrugated plastic pipe shall be used on the Right-of-Way for the following reasons:

- 1) Following proper installation, it will be virtually indestructible by shoulder mowing equipment and by equipment performing ditch maintenance in the future. In the event that a vehicle should travel over the end of the pipe, it will not necessarily cut tires or cave in as will steel. In the normal maintenance of the road shoulder, mowing equipment must get close to the pipe ends to cut the grass.
- 2) It will give the longest life when compared with other materials.

Driveway Grading - Crown, Slope, and Diverter: In the case where the lot is at an elevation above that of the paved road, the driveway shall be graded so that any water which falls onto the POA Right-of-Way shall not run out onto the paved road. Grading shall direct the water to flow into the ditch. In the case where the lot is basically level with or at an elevation below that of the pavement, the driveway shall be graded to direct runoff from the road into the ditch so that a “river” is not created for the property owner. Although these specifications are intended for a temporary construction to handle a large volume of heavy construction traffic, the basic principals apply to the installations of driveways across the POA Right-of-Way.

Driveway Width: The minimum driveway width will be twelve (12) feet. The maximum driveway width for a one (1) entrance driveway is twenty-six (26) feet and for a two (2) entrance driveway twenty (20) feet. In most cases, this will provide for a final driveway width that will allow most construction delivery trucks to maneuver into and from the lot.

Driveway Construction/Start:

- **Soil filled drive** - When first clearing a lot, the driveway must be constructed with soil and compacted by the equipment on site. Following compaction, gravel should be installed to a minimum depth of three (3) inches covering the entire driveway width a minimum of forty (40) feet from the paved street.

Driveway Construction/Finish:

- **Soil filled drive with GRAVEL** – In cases where the elevation of the lot is significantly above or below that of the street, gravel shall be installed on the sloped portion of the drive to assist vehicles entering/leaving the property during slippery conditions. Drive and gravel shall be graded to a crown to direct runoff to the edges of the driveway and into the ditch line. Follow up grading should be anticipated as normal traffic and heavy equipment further compact the drive. A minimum depth of three (3) inches of gravel with a length of forty (40) feet will be required for all gravel driveways.
- **Soil filled drive with CONCRETE** – After construction of property is completed, the drive shall be constructed with soil and well compacted with the proper equipment. If not compacted properly, settling of the foundation soil under the concrete may result in the premature formation of cracks in the future. At the junction where the end of the drive intersects the paved street, the shoulder of the paved street shall be dug out a minimum of 4” for the concrete. This will result in sufficient concrete thickness to support heavy road maintenance equipment (mowers, grader, backhoe, dump trucks). No portion of the finished concrete drive shall extend beyond the design edge of the paved street. The finishing of the concrete drive shall include a crown so that runoff is directed off the edges of the drive versus down the center of the drive into the street. Following the pouring of the concrete drive, the edges shall be back filled and properly protected for erosion. Concrete trucks shall not wash their equipment out onto POA property or roads.
- **Soil filled drive with ASPHALT** – After construction of property is completed, the drive shall be constructed with soil and well compacted with the proper equipment. If not compacted properly, settling of the foundation soil under the asphalt may result in the premature formation of cracks in the future. At the junction where the end of the driveway intersects the paved street, the shoulder of the paved street shall be dug out a minimum of 3” for the asphalt. At that point, provided that the existing condition of the street is stable, the joint shall be tacked and sealed to prevent moisture penetration. The finished asphalt surface of the drive shall include a crown so that the runoff is directed off the edges of the drive versus down the center of the drive into the street. Following the paving of the asphalt drive, the edges shall be back filled and properly protected for erosion.

Erosion Controls - These vary widely due to the many factors that must be considered (slope, water concentration, at the bottom of slope or at top, existing soil conditions). Unless otherwise specified in the pre-construction inspection, the following are the basic guidelines to protect the POA Right-of-Way from erosion:

- Following grading, all disturbed areas of the POA property (right-of-way) must be plowed to a minimum depth of 6”. The areas shall be well fertilized, limed, and seeded with a blend of seed to give immediate and long term protection of the Right-of-Way. Seeding in summer: a blend of 20% millet and 80% fescue is recommended. Seeding in fall, winter and spring: a blend of 10% rye grass and 90% fescue is recommended. For the summer plantings, if the area is not irrigated to get the seed established, re-seeding will most likely be required. **NOTE:** For roadside seeding, the Maintenance Department uses a blend that is composed of Rye, Fescue, and Bahia. It has been found to provide a good immediate coverage and long term drought resistance. The North Carolina State Dept. of Transportation recommends this blend.
- 1) **Protection of Water Channels** (ditch lines) - Following proper completion of seeding and due to the water concentration expected in ditch lines following heavy rainfalls, adequate measures must be taken to provide erosion control. Unless otherwise specified, Excelsior Matting should be installed in the water channel per the recommendations of NC State Dept. of Environment.
 - 2) **Shoulders and slopes** – Following proper completion of seeding, these areas must be mulched with straw.
 - 3) **Erosion control measures** must be taken to protect the lot under development from off site erosion, specifically onto POA Right-of-Way and into the lake as well as onto neighborhood properties. A properly installed and approved type of silt fence must be used (see *Section 4.9 ‘Silt Fence’* in this listing Part I for additional information).

Clean up of pavement: The pavement must be cleaned of soil and gravel immediately following the driveway installation.

Section 4.3. Liability for Damage to Roads and Common Property

- 1) All builders and/or general contractors must have on file at the POA office:
 - a) A current certificate of insurance for general liability with minimum property damage limits of one million (\$1,000,000) dollars to cover any potential damage to POA property.
- 2) All service providers are responsible for the repair of any damage to the roads or common property of the Association to its original state within thirty (30) days of occurrence.
- 3) A property owner is responsible for the repair of any damage done to POA roads and common property by the property owner, his or her family members, guests, tenants, vendors or assigns.
- 4) Should damage occur to any POA roads and/or common property, repairs must be completed within 30 days of receiving written notification of the damage by the Association. If, after 30 days the damage still exists, the Association may make the necessary repairs and bill the property owner for all associated costs. If repair bill is not paid, a lien will be filed against the owner's property.

Section 4.4 Riparian Buffer Protection Rules

The State of North Carolina has adopted Riparian Buffer Protection Rules, which are in effect in the Tar-Pamlico River basin. These rules apply to fifty (50) foot wide riparian buffers directly adjacent to surface waters in the Tar-Pamlico Basin (lakes, rivers, creeks, intermittent streams, perennial streams, ponds, existing shorelines and estuaries), excluding wetlands.

- 1) The following rule applies only to areas where vegetation is already established within the first 50 feet from the shoreline. This 50 foot area is broken down into two (2) zones:
 - a) Zone 1 - refers to the first 30 feet of land bordering the shoreline and/or creeks, intermittent streams, perennial streams, ponds or rivers within the Subdivision. The rule deems it illegal to remove most existing "forest vegetation" (trees, shrubs, etc.) in this 30 foot area. Trees and shrubs may be trimmed but not removed.
Exception: "Forest vegetation" does not include existing, intensively maintained private lawns.
 - b) Zone 2 - consists of an additional 20 feet adjacent to Zone 1 and allows a very limited amount of harvesting in this area.

NOTE: See the 'NC Riparian Buffer Protection Rules'

NOTE: For areas NOT yet established, see the 'NC Riparian Buffer Protection Rules'.

NOTE: A copy of the 'NC Riparian Buffer Protection Rules' may be obtained from the Division of Water Quality:

N.C. Division of Water Quality (DWQ)
Division of Wetlands
2321 Crabtree Blvd
Suite 250
Raleigh, NC 27604
Phone: 919-733-1786

Contact:
Cyndi Karoly
Email: cyndi.karoly@ncmail.net

NOTE A copy of the 'NC Riparian Buffer Protection Rules' is also available at the POA office.

NOTE: ANY VIOLATION OF THE RIPARIAN BUFFER PROTECTION RULES MAKES THE VIOLATOR SUBJECT TO A DAILY FINE OF \$25,000 PER DAY, AND WILL BE ENFORCED BY THE NC DWQ.

Section 4.5. Reserved Areas

- 1) **When lots 2972A and 3562 are developed** the following restrictions shall apply:
 - a) Plans for development must first be approved by Franklin County, and then must be presented to the BC for consideration and then presented to the Lake Royale Board of Directors.
 - b) Developer of this property is responsible for construction of all roadways and shoulders within the area as well as providing all necessary utilities:
 - 1) All roadways must be constructed to at least meet North Carolina minimum standards and all shoulders graded and seeded in a manner as to prevent future drainage damage to the pavement.
 - c) All development is subject to these Restrictive Covenants and Rules and Regulations as may be promulgated by the Association’s Board of Directors.
 - d) Owner/developer is responsible for:
 - 1) Advising the POA in writing of the name and address of all new owners immediately upon transfer.
 - 2) Having a copy of the property owner’s deed filed in the POA office.
 - e) All assessment fees shall be determined under the authority of the By-Laws of this Association.
 - f) If the area or any part thereof is fenced off, gated or in any way set apart as private, then the owner/developer shall retain possession of the roadways and be responsible for all maintenance of the road Right-of-Way.

- 2) **“Extension of” Taopi** is subject to the following restrictions:
 - a) Plans for development must first be approved by Franklin County, and then must be presented to the BC for consideration and then presented to the Lake Royale Board of Directors.
 - b) Developer is responsible for construction of all roadways and shoulders as well as providing all necessary utilities:
 - 1) All roadways must be constructed to at least meet North Carolina minimum standards and all shoulders graded and seeded in such a manner as to prevent future drainage damage to the pavement.
 - 2) No lots may be sold until the roadways and utilities are installed.
 - 3) Lots 3462-3475 cannot have an entrance onto Sledge Road because of an existing buffer zone. All driveways on these lots must exit on Long Run Road.
 - c) All development is subject to these Restrictive Covenants and Rules and Regulations as may be promulgated by the Board of Directors of the Association.
 - d) Developer is responsible for:
 - 1) Advising the POA in writing of the name and address of all new owners immediately upon transfer.
 - 2) Having a copy of the property owner’s deed filed in the POA office.
 - e) All assessment fees shall be determined under the authority of the By-Laws of this Association.
 - f) If the area or any part thereof is fenced off, gated or in any way set apart as private, then the owner shall retain possession of the roadways and be responsible for all maintenance of the road Right-of-Ways.

NOTE: See Restrictive Covenants for additional details on Reserved Areas, or as referenced below:

“Each lot on the plats of the above-referenced lands in Lake Royale Subdivision have been designated as residential, camping, commercial, multiple dwelling, recreational, greenways or reserved for future development; undesignated lands within the Subdivision are for the mutual use of all property owners and their successors in title agree that each lot shall be subject to the use so designated as hereinafter defined and the rules and regulations promulgated by Lake Royale Property Owners Association; residential lots are designated by numbers only, camping lots have a prefix of the letter “C” and all other areas are specifically designated.”

“Any area designated on the above referenced-recorded maps as being reserved shall mean reserved for residential, commercial or multiple dwelling use as the developer may desire so long as the future development is, in the sole discretion of the developer, compatible with the overall development of the subdivision, however, no camping areas shall be allowed in Section 16.

Continued on next page

A. Multiple dwelling shall include, but is not limited to, townhouses, duplexes or other multiple family dwelling.

B. Time sharing and/or interval ownership shall be a permitted use in reserved areas.”

“Lot 3061 is reserved for water and utility supply, storage, distributions and support facilities.”

Section 4.7. **Septic System**

- 1) All Franklin County residential lot owners with a dwelling thereon must have a septic system.
- 2) Section 16 (‘The River’) requires a septic system, with repair area.
NOTE: See or call the Franklin County Health Dept. for additional information.
- 3) All Franklin County camping lot owners with a dwelling thereon may have a septic system (recommended).
- 4) Nash County does not allow septic systems on camping lots.
- 5) All cottages in the camping area are required to have a Franklin County approved septic system, with repair area.

NOTE: It is recommended that all septic tanks and their drain fields be located on the road side of the lot.

Permits Required:

- 1) A Lake Royale ‘Soil and Erosion Permit’ is required and is available at the POA office.
- 2) Property owner must get approval from the Franklin County Health Dept. to install a septic system:
 - a) The Franklin County Health Department shall determine if the land is permeable (perms).
- 3) A copy of both the ‘Soil and Erosion Permit’ and the ‘Franklin County Health Dept. Permit’ must be provided to the BC and will be kept in the property owner’s file.

Other:

- 1) No drain field or other disposal system shall be allowed nearer than fifty (50) feet to any creek, river or stream at Lake Royale nor within sixty (60) feet of the lake’s shoreline.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“No outside toilet shall be allowed on the premises. No untreated waste from any lot shall be permitted to enter any lake or stream within Lake Royale Subdivision. Each residential dwelling shall have an individual sanitary unit and the owner of said lot shall install a type of unit that complies in all respects with the requirements of the Franklin County Health Department or other governing legal authority. Each lot owner shall obtain approval from the appropriate legal authority prior to the installation of any sanitation system and shall further be bound by all orders or recommendations of such authority and/or authorities with regard to water supply to said lot, repair, alteration or replacement of the installed sanitary unit. No drain field or other disposal system shall be allowed nearer than sixty (60) feet to the normal water elevation of any lake located within Lake Royale Subdivision.”

“....and is located where it will not cover an existing or future septic tank or any portion of septic drain.”

Cottage: “A minimum 12,000 sq. ft. lot size and a County approved Septic System with repair area are required and all setbacks for a house must be met.”

“No outside toilet shall be allowed on the premises. No treated or untreated waste from any lot shall be permitted to enter any lake or stream within Lake Royale Subdivision. No sewage, garbage, liquid or solid waste disposal systems, pits, "post holes", buried metal drums, or other similar structures or operations shall be permitted on any camping lot except for waste storage containers as approved by the Franklin County or Nash County Health Departments and approved by the Lake Royale Property Owners Association Board of Directors; septic tanks are permitted on Franklin County camping lots which are approved by the Franklin County Health Department and the Lake Royale Property Owner's Association.

All travel trailers, tent trailers, commercially produced recreational vehicles, pick-up campers, motor homes and other camping vehicles having sewage drains shall have said drains sealed for the duration of their stay on any camping lot. All sewage, solid wastes and trash must be disposed of at maximum time

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intervals of three days duration at dumping or trash stations or other places provided therefore off of camping lots. Any person using a camping installation without holding tank capabilities must use comfort centers provided for the disposal of all wastes, both liquid and solid, as required."

"It must not be placed over any part of an existing or future septic system."

Section 4.9. Silt Fence

- 1) A temporary silt fence must be installed within twenty-four (24) hours whenever any portion of the ground in excess of one hundred (100) square feet (excluding gardens) is disturbed, and remain in place until the project is completed and the ground is permanently covered (e.g., structure, gravel, pavement, vegetative cover).
- 2) A 'Soil & Erosion Permit' must be obtained from the POA office.
- 3) Riparian Buffer Rules apply.
- 4) The following Installation Rules apply:
 - a) A 3' high silt fence shall be properly installed on all contours leading down hill toward all property lines.
 - b) On slopes with grades greater than 5%, steel-reinforced silt fencing with wire mesh no less than 10/12 gauge (minimum of 10 gauge along the top and bottom, and a minimum of 12 gauge along the middle of the fence), and 5' steel stakes with a minimum weight of 0.95 lbs/ft or equivalent shall be used. On slopes with grades of 5% or less, no steel reinforcement of the fabric (appropriate geotextile) is required. Although wood posts with a minimum diameter of 1.25" are allowed for slopes with grades of 5% or less, steel stakes with a minimum weight of .95-lbs/ft are strongly recommended.
 - c) Stakes supporting steel-reinforced silt fencing shall be placed at maximum intervals of 10' on center and the stakes shall be embedded into the ground at a minimum depth of 18" below final grade. Stakes supporting silt fencing without steel reinforcement shall be placed at maximum intervals of 7.5' on center, and be embedded a minimum of 6" below final grade.
 - d) Where silt fencing is required, both ends of the silt fence shall be extended an additional panel length (10') and turned upslope.
 - e) On slopes with grades greater than 7%, the steel-reinforced silt fence shall be located 7 feet beyond the base of the slope, to the extent possible.
 - f) A minimum of a 6" trench shall be cut along the entire length of the disturbance area. The silt fence shall be installed in the trench, and the trench shall be backfilled and compacted on both sides of the silt fence to prevent blow out during storm events. All splice joints in the filter fabric shall have a minimum overlap of 18". A stake shall be installed at the overlap.
 - g) The silt fence shall be properly maintained until the project is completed and the fence can be removed [see (1) above]. The filter fabric shall be replaced whenever it has deteriorated or clogged to such extent that it reduces the effectiveness of the silt fence, or channeling along the fence length occurs. If a blow out of the silt fencing occurs, or it is ineffective in preventing the migration of sediment outside of the disturbance area, stronger silt fencing and/or double fencing shall be required such that the migration of sediment is contained within the disturbance area for the duration of the project. Silt accumulations shall be removed and properly disposed when the height of the silt reaches one-third (1/3) of the height of the silt fence, or second silt fence shall be installed. Silt accumulations shall be removed and properly disposed when the silt fence is removed at the completion of the project.

Section 4.11. 5' Elevation above Flood Zone Level

- 1) Homes built with a crawl space: The top of the poured footer or bottom of the block foundation must be at least five (5) feet above the normal water level. All exterior heating units must be at least five (5) feet above normal water level and all plumbing or electrical units contained within the crawl space must be at least five (5) feet above the normal water level
- 2) Homes built with a basement: The top of the poured footer/bottom of the block foundation must be at least five (5) feet above the normal water level. In no event can the bottom of the lowest floor of any useable level be lower than five (5) feet above the normal water level.
- 3) Homes built on slabs: The entire house slab, and all exterior heating units, must be above the five (5) feet elevation mark.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“...and in no event shall any dwelling be erected below an elevation of five (5) feet above the normal water elevation of any lake located within Lake Royale Subdivision.”

Article 5. Lot Development Guidelines - Waterfront Lots

Section 5.2. Boat Ramp

- 1) Permits needed:
 - a) A ‘Soil & Erosion Permit’ must be obtained from the POA office.
 - b) In addition, a permit from the Corps of Engineers is required and a copy provided to the BC. An application form may be obtained from:

Raleigh Regulatory Field Office,
US Army Corps of Engineers (USACE)
6508 Falls of the Neuse Road
Suite 120
Raleigh, NC 27615
Phone: 919-876-8441
Fax: 919-876-5823
 - c) In addition, a permit from the NC Division of Water Quality is required and a copy provided to the BC. An application form may be obtained from:

Division of Water Quality (DWQ)
401 Wetlands Unit
1650 Mail Service Center
Raleigh, NC 27699-1650
Phone: 919-733-1786
Fax: 919-733-6893
- 2) Members may use the boat ramps provided by the Association.
- 3) It must comply with all applicable setback regulations, including side setback requirements.

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Section 5.3. Boat Shelter (formerly 'Boathouse')

1) Permits needed:

- a) A 'Soil & Erosion Permit' must be obtained from the POA office.
- b) In addition, a permit from the Corps of Engineers is required and a copy provided to the BC. An application form may be obtained from:

Raleigh Regulatory Field Office,
US Army Corps of Engineers (USACE)
6508 Falls of the Neuse Road
Suite 120
Raleigh, NC 27615
Phone: 919-876-8441
Fax: 919-876-5823

- c) In addition, a permit from the NC Division of Water Quality is required and a copy provided to the BC. An application form may be obtained from:

Division of Water Quality (DWQ)
401 Wetlands Unit
1650 Mail Service Center
Raleigh, NC 27699-1650
Phone: 919-733-1786
Fax: 919-733-6893

- 2) It must be built over water.
- 3) It may be built over a new or existing boat slip.
- 4) It may have an abutting deck area, covered or not covered.
- 5) May have a sloped or flat roof:
 - a) If sloped, roof pitch may not exceed 4/12. If flat and accessible, Franklin County Planning Dept. requires a railing, per code.
- 6) Exceptions: May have up to a four (4) foot high storage chest on the land side only.
 - a) No restriction as to the width as long as the storage container stays within the confines of the boathouse (this storage chest will not be considered a storage building).
- 7) Its sides may be open or closed.
- 8) It must comply with all applicable setback regulations, including side setback requirements.
- 9) A residential waterfront lot may have two (2) unattached storage structures and one (1) boathouse.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“Each waterfront camping lot or residential lot owner may construct one (1) dock and/or boathouse per waterfront lot which may not extend more than ten (10) feet into the lake and the boathouse may not be more than one (1) story in height. All plans for docks and boathouses must be submitted to the Association for approval and no construction may begin on a boat dock or boathouse prior to approval of the Association.”

“The only construction permitted prior to construction of a house in the residential area or a cottage in the camping area or the placement of a camping unit in the camping area, is the construction of a boat shelter, boat slip, bulkhead (seawall) and/or dock, with the exception that in the entire camping area a storage building may be constructed or installed at any time.”

Section 5.4. Boat Slip

The 50 foot setback regulation requiring all structures be back 50 feet from the shoreline must be adhered to when planning a boat slip.....i.e.....all structures must be back 50 feet from the “new” shoreline created when digging out the boat slip, per NC State regulations.

1) Permits needed:

- a) Any earth disturbed by construction must be protected from erosion using materials recommended by the Corps of Engineers, the NC Division of Water Quality and the POA.
- b) Only one (1) boat slip is allowed.
- c) It may be wide enough to include a variety of watercrafts.
- d) A ‘*Soil & Erosion Permit*’ must be obtained at the POA office.
- e) In addition, a permit from the Corps of Engineers is required and a copy provided to the BC. An application form may be obtained from:

Raleigh Regulatory Field Office,
US Army Corps of Engineers (USACE)
6508 Falls of the Neuse Road
Suite 120
Raleigh, NC 27615
Phone: 919-876-8441
Fax: 919-876-5823

- f) In addition, a permit from the NC Division of Water Quality is required and a copy provided to the BC. An application form may be obtained from:

Division of Water Quality (DWQ)
401 Wetlands Unit
1650 Mail Service Center
Raleigh, NC 27699-1650
Phone: 919-733-1786
Fax: 919-733-6893

- 2) It must comply with all applicable setback regulations, including side setback requirements.
- 3) It may have an abutting deck area, but may not be covered except by a permitted boat shelter..

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“The only construction permitted prior to construction of a house in the residential area or a cottage in the camping area or the placement of a camping unit in the camping area, is the construction of a boat shelter, boat slip, bulkhead (seawall) and/or dock, with the exception that in the entire camping area a storage building may be constructed or installed at any time.”

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Section 5.5. Bulkhead

NOTE: It is recommended that bulkheads (seawalls) or Rip Rap (rock) be installed to prevent shoreline erosion.

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) Permits needed:

- a) A 'Soil & Erosion Permit' may need to be obtained at the POA office.
- b) In addition, a permit from the Corps of Engineers is required and a copy provided to the BC. An application form may be obtained from:

Raleigh Regulatory Field Office,
US Army Corps of Engineers (USACE)
6508 Falls of the Neuse Road
Suite 120
Raleigh, NC 27615
Phone: 919-876-8441
Fax: 919-876-5823

- c) In addition, a permit from the NC Division of Water Quality is required and a copy provided to the BC. An application form may be obtained from:

Division of Water Quality (DWQ)
401 Wetlands Unit
1650 Mail Service Center
Raleigh, NC 27699-1650
Phone: 919-733-1786
Fax: 919-733-6893

- 3) Bulkheads are to be constructed of materials approved by the Corps of Engineers and Div. of Water Quality.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

"The only construction permitted prior to construction of a house in the residential area or a cottage in the camping area or the placement of a camping unit in the camping area, is the construction of a boat shelter, boat slip, bulkhead (seawall) and/or dock, with the exception that in the entire camping area a storage building may be constructed or installed at any time."

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Section 5.6. Dock (Fixed or Floating)

- 1) No permit is required from the Corps. of Engineers, but if any soil is disturbed at all, a permit is required from the Division of Water Quality.
- 2) A 'Soil & Erosion Permit' may need to be obtained at the POA office.
- 3) If disturbing the land, a permit is required from the NC Division of Water Quality and a copy provided to the BC. An application form may be obtained from:

Division of Water Quality (DWQ)
401 Wetlands Unit
1650 Mail Service Center
Raleigh, NC 27699-1650
Phone: 919-733-1786
Fax: 919-733-6893

- 4) A permit is required from Franklin County.
- 5) Maximum extension of dock from shoreline into the lake is 10 feet.
- 6) Side setback requirements are excluded.
- 7) Should dock be located at the property line, the property line shall extend into the lake.
- 8) Riparian Buffer Protection Rules must be considered whenever you build over any land bordering the shoreline.
 - a) The shoreline vegetation must be preserved and disturbed as little as possible.
 - b) Also see *Section 4.4 'Riparian Buffer Protection Rules'* in this listing (Part I) for additional information
- 9) It may have an abutting deck area but may not be covered.
- 10) A roofed dock is permitted providing the following requirements are met:
 - a) All sides must be open.
 - b) Roof size may not exceed 144 square feet.
 - c) Roof structure:
 - 1) Constructed of wood or wood like material
 - 2) Shall have asphalt shingles, metal or thatched roof
 - 3) May have a sloped or flat roof. If sloped, roof pitch shall be 4/12. If flat and accessible, Franklin County Planning Dept. requires a railing, per code

NOTE: See Restrictive Covenants for additional details, or as referenced below:

"No Boat Docks, floats or other structures on camping or residential lots extending into the Lake shall be constructed or placed into or on any Lake within the Lake Royale Subdivision without prior written approval of Lake Royale Association or its successors or assigns. Use of the Lake shall be in compliance with the rules and regulations of the Lake Royale Property Owners Association and the North Carolina Wildlife Commission.

A. Each waterfront camping lot or residential lot owner may construct one (1) dock and/or boathouse per waterfront lot which may not extend more than ten (10) feet into the lake and the boathouse may not be more than one (1) story in height. All plans for docks and boathouses must be submitted to the Association for approval and no construction may begin on a boat dock or boathouse prior to approval of the Association."

"The only construction permitted prior to construction of a house in the residential area or a cottage in the camping area or the placement of a camping unit in the camping area, is the construction of a boat shelter, boat slip, bulkhead (seawall) and/or dock, with the exception that in the entire camping area a storage building may be constructed or installed at any time."

Article 6. Residential Area - Additional General Guidelines

Section 6.1. Residential - General Guidelines

- 1) All accessory structures must be ten (10) feet from any other structure.
- 2) On new construction or remodeling, the lot number is to be displayed only on the permit inspection box. All permits must be placed inside the permit inspection box, which must be clearly visible from the road.
- 3) The street number must be permanently posted and be clearly visible from the road.
- 4) Lots should be surveyed and all corner pins and lot lines clearly marked.
- 5) Temporary structures may be erected for outdoor functions or parties, but must be removed at the conclusion of the event.
- 6) A waterfront lot may have two (2) unattached storage structures and one (1) boathouse.
- 7) Metal roofs are allowed.
- 8) A pre-existing permitted covered porch does not need a permit to be screened (the screening is allowed because the footprint of the existing porch structure is not being altered).

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“Not more than one single family dwelling house may be erected or constructed on any one residential lot. No more than two unattached accessory structures for storage purposes (garage or carport or storage building) will be allowed. No accessory or temporary building shall be used or occupied as living quarters. No structure shall have tar paper, roll brick siding or similar material on outside walls. Each residential property owner shall be allowed to place one (1) registered self propelled or towable camping vehicle that he owns (RV, 5th wheel, travel trailer) on his lot. The camping vehicle may not be used for living quarters at any time while on the owner’s lot. Mobile homes are prohibited. Tents will be allowed to be set up for forty-eight (48) hours. Modular homes will be allowed which meet the specifications and standards adopted by the Lake Royale BC and approved by the Board of Directors. All building exteriors must be completed within six months from the date the construction commences. The area between the ground and lower floor of the dwelling shall be enclosed with a material compatible to the material used on the exterior of the building. Only new construction will be approved.”

*“**MINIMUM SQUARE FEET:** Effective August 1, 2004 and thereafter, no residence shall have less than 1400 square feet of total heated living space, with a minimum 900 square feet of heated living space on the ground floor, or first floor, exclusive of porch or other unheated area. This minimum square footage requirement shall exist for all areas of the residential sections of Lake Royale.”*

“No outside toilet shall be allowed on the premises. No untreated waste from any lot shall be permitted to enter any lake or stream within Lake Royale Subdivision. Each residential dwelling shall have an individual sanitary unit and the owner of said lot shall install a type of unit that complies in all respects with the requirements of the Franklin County Health Department or other governing legal authority. Each lot owner shall obtain approval from the appropriate legal authority prior to the installation of any sanitation system and shall further be bound by all orders or recommendations of such authority and/or authorities with regard to water supply to said lot, repair, alteration or replacement of the installed sanitary unit. No drain field or other disposal system shall be allowed nearer than sixty (60) feet to the normal water elevation of any lake located within Lake Royale Subdivision.”

Section 16:

“(I) The following lots: 3103 through 3121, inclusive; 3155 through 3165, inclusive; 3181 through 3184, inclusive; 3194 through 3218, inclusive; 3221; 3222; 3225 through 3256, inclusive; 3295; 3363; 3383; 3384; 3403 through 3418, inclusive; 3420 through 3461, inclusive; 3487 through 3520, inclusive; 3538 through 3556, inclusive; which abut the golf course, have a shaded area reflected on Map 16. The shaded area of each lot is subject to a 25-foot surface easement reserved by Lake Beech, L.P., its successor PNC of NC starting in 6/99 or assigns as part of the golf course. Lots 3194, 3195, 3221 and 3222 are also subject to a 12 ½-foot easement for a golf cart path which is

Continued on next page

designated on the recorded plats by a shaded area and so denoted. The property owner of each lot so shaded shall have the subterranean use of said shaded area for the placement of such items as he may deem advisable to include leach fields or other disposal systems in compliance with local health regulations. No porch or projection of any building shall extend nearer than thirty (30) feet from any front road right-of-way property line, fifteen (15) feet from any side road right-of-way property line, ten (10) feet from any interior side or rear property line, nor forty (40) feet from any property line abutting the golf course.”

- (2) Residence on lots 3101, 3102, 3219, 3220, 3419, 3486 shall have no porch or projection of any building shall extend nearer than thirty (30) feet from any front road right-of-way property line, fifteen (15) feet from any side road right-of-way property line, or ten (10) feet from any interior side or rear property line.*
- (3) No porch or projection of any building shall extend nearer than thirty (30) feet from any front road right-of-way or ten (10) feet from any interior side or rear property line.”*

D. “No porch or projection of any building shall extend nearer than thirty (30) feet to any road right-of-way property line, nor nearer than ten (10) feet to the of any abutting property owner, nor within fifty (50) feet from the normal water elevation of any lake located within Lake Royale Subdivision, except as shown on recorded plats, and in no event shall any dwelling be erected below an elevation of five (5) feet above the normal water elevation of any lake located within Lake Royale Subdivision. Effective July 20, 1991, new construction or installation of storage buildings and garages may not be located nearer than ten (10) feet to the property line of any abutting property owner.”

E. “Nothing herein shall prevent the Building Committee of the Lake Royale Property Owners Association from issuing a permit to locate a temporary building on a residential lot after the construction of a dwelling house has commenced.”

*F. “**Carriage Manor** shall be allowed to use lot 1581 an administrative office in connection with the operation of Carriage Manor time sharing condominiums; however, at such time as Carriage Manor shall no longer use said lot as an administrative office, then said lot shall revert to a residential lot as defined herein.”*

*G “**Carport (Unattached)**: See page 4, Section 3.7 of this document.*

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Section 6.3. Residential - Garage (Unattached)

- 1) No metal garage is permitted. Also see 'Roof' (5d) below.
- 2) Requires a County building permit.
 - a) A copy of County permit must be provided to the BC.
- 3) No unattached garage shall exceed one and a half stories.
- 4) Must be 10 feet from any other structure (including the main dwelling).
- 5) **Roof:**
 - a) No less than a 4/12 pitch.
 - b) The roof pitch shall be in keeping with the main dwelling within a 2 pitch. Example: If the main dwelling pitch is 4/12, the garage could have up to a 6/12 pitched roof.
 - c) Roof material may be the same type as the main dwelling.
 - d) Metal roofs are allowed.
- 6) **Size:**
 - a) An unattached garage may be up to a maximum 900 square feet (examples: 20'x45', 30'x30') **OR** up to a maximum 50% of the dwellings heated living space, whichever is greater. Example of the latter: Main dwellings heated living space is 2800 sq ft x 50% = 1400 sq ft maximum garage size or for example 35'x40'.
- 7) **Exterior:**
 - a) The design and color scheme of all accessory structures on a lot must be constructed with complimentary design and color.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

"No more than two unattached accessory structures for storage purposes (garage or carport or storage building) will be allowed."

"Effective July 20, 1991, new construction or installation of storage buildings and garages may not be located nearer than ten (10) feet to the property line of any abutting property owner."

Section 6.4. Residential - Metal Structures

- 1) No metal garage or storage building is permitted.
 - a) **Exception:** Metal roofs are allowed.

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Section 6.7. Residential - Storage Building/Shed (Unattached)

- 1) No metal storage building/shed is permitted. Also see 'Roof' (5b) below.
- 2) No storage building/shed shall be over one story. One story shall mean the unattached storage building/shed shall not exceed eleven (11) feet in total height, as measured from the floor surface to the top of the ridge-pole.
- 3) Requires a County permit:
 - a) If electric or water is installed, regardless of size.
 - b) If any dimension exceeds 12 feet.
 - c) A copy of County permit must be provided to the BC.
- 4) Must be 10 feet from any other structure (including the main dwelling).
- 5) Roof:
 - a) Pitch shall not be less than 4/12 nor more than 7/12.
 - b) Metal roofs are allowed.
- 6) Size: Maximum size is 288 sq. ft.
- 7) Exterior: The design and color scheme of all accessory structures on a lot must be constructed with complimentary design and color.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

"No more than two unattached accessory structures for storage purposes (garage or carport or storage building) will be allowed."

"Effective July 20, 1991, new construction or installation of storage buildings and garages may not be located nearer than ten (10) feet to the property line of any abutting property owner."

"May have up to two unattached accessory structures for storage purposes on each lot."

*a) The following combinations of unattached accessory structures shall be permitted. **Either:***

1) An unattached garage and an unattached storage building, OR

2) An unattached carport and an unattached storage building, OR

3) Two unattached storage buildings."

"Such utility or storage building may not be used for living or camping purposes, but only for storage purposes."

"Owners shall maintain all dwelling, trailers, recreation vehicles, storage buildings and any other structure of any kind in good repair and appearance."

"The only construction permitted prior to construction of a house in the residential area or a cottage in the camping area or the placement of a camping unit in the camping area, is the construction of a boat shelter, boat slip, bulkhead (seawall) and/or dock, with the exception that in the entire camping area a storage building may be constructed or installed at any time."

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Article 8. Camping (Mixed Use Living) Area - Additional General Guidelines

Mixed Use Living refers to multiple dwellings allowed within the camping area. These include cottages, tents, travel trailers, tent trailers, commercially produced recreational vehicles, pick-up truck campers, motor homes and other vehicles commercially produced to be used for camping. Mobile homes are excluded.

Section 8.2. Camping - General Guidelines

- 1) A pre-existing permitted covered porch or roof over does not need a permit to be screened (the screening is allowed because the footprint of the existing open structure is not being altered).
- 2) Nothing may be located over any part of a septic system.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“A. Camping lots as defined herein are those lots to be used exclusively for temporary camping purposes and for the placement thereon of travel trailers, tent trailers, commercially produced recreational vehicles, pick-up truck campers, motor homes, tents and other vehicles commercially produced to be used for camping; provided, however, no more than two units may be placed on any one lot at any given time except guest campers which may be allowed on a lot for a period not to exceed ten (10) days provided the owner of said lot has received written permission from the Property Owners Association for the location of guest campers on a lot.”

“B. Camping lots and installation shall be inspected at the direction of said Association or its duly authorized agent to insure strict compliance with all restrictions set forth herein, and in compliance therewith.”

“C Except as herein provided, no structures, including, but not limited to, dwellings, mobile homes, garages shall be constructed or be permitted to remain on camping lots. Only travel trailers, tent trailers, commercially produced recreational vehicles, pick-up truck campers, motor homes, tents and other vehicles commercially produced to be used for camping which must comply with Federal and State laws, rules and regulations and in any event may not exceed 400 square feet of living space in the set-up mode will be allowed. This restriction does not extend to prohibiting hard camping vehicle parking spaces or tent floors; nor does it include vegetation planted or trimmed for landscaping purposes, nor does it prohibit the use of tent or awning frames. No vehicle, tent, deck or shed as herein described shall be placed nearer than thirty (30) feet to any road right-of-way property line nor nearer than five (5) feet to any property line of any abutting property owner, nor within fifty (50) feet of the normal water elevation of any lake located within Lake Royale Subdivision. In those cases where a camping lot is bounded by two roads, no vehicle, tent, deck or shed as herein above described shall be placed nearer than twenty (20) feet to any side-road right-of-way property line on a corner lot, per County UDO.”

*“In lieu of a camping unit, **cottages** will be permitted if they meet Franklin County's Ordinances, North Carolina Building Codes and Lake Royale building regulations. A minimum 12,000 sq. ft. lot size and a County approved Septic System with repair area are required and all setbacks for a house must be met. The maximum living space of the Cottage may not exceed 899 sq. ft. and Cottage must be site-built (may not be a mobile home, park model trailer or other type of structure). Each cottage lot property owner shall be allowed to store one (1) registered self propelled or towable camping vehicle that he owns (RV, 5th wheel, travel trailer) on his lot. The camping vehicle may not be used for living quarters at any time while on the owner's lot. When the Cottage receives a County Certificate of Occupancy (CO), it would become eligible for permanent occupancy, providing all County regulations are met. Multiple lots for cottage construction must be deeded as one and the deed must stipulate that it may not be subdivided. Cottages cannot be rented or leased for more than 90 days in any one calendar year”.*

- 3) **“Carport (Unattached):** See page 4, Section 3.7 of this document.

Continued on next page

- 4) *“One (1) enclosed **ADDITION** is allowed per camping lot which may contain one or more wall partitions. The Addition’s width may not extend more than fourteen (14) feet from the camping unit, nor its length extend beyond the ends of the camping unit. It may only be one story. The roof may extend over the camping unit to prevent leaking between the two.”*
- 5) *“In addition, each camping lot may have one open, roofed deck. It may not have any solid walls, but may be screened. It may abut the camping unit, or abut the room addition, or sit independently, like a gazebo. Roofed decks are allowed on one (1) wall only and may not extend beyond the ends of the camping unit.”*
- 6) *“**DECKS** extending more than fourteen (14) feet from the camping unit shall not have walls, roofs or enclosed areas.”*

Section 8.4 **Camping - Cottage**

- 1) Property owner must have a Building Permit from the BC prior to the start of construction.
- 2) Only one (1) single-family cottage is allowed on any one or combined lots 12,000 sq. ft. or larger.
- 3) Minimum 12,000 sq. ft. lot size shall be identified by a certified survey of subject-platted lot.
- 4) Only site built new construction will be permitted.
- 5) All building exteriors must be completed within six (6) months from the date the construction commences.
- 6) Setbacks:
 - a) No part or projection of any dwelling shall extend nearer than:
 - 10 feet to any side property line
 - 25 feet to any rear property line
 - 30 feet to any road rights-of-way property line
 - 50 feet from the normal water elevation of any lake located within this Subdivision.
- 7) Basements and Knee walls (exterior) shall not be allowed.
- 8) Single Story Cottage
 - a) Roof height: Maximum height allowed is sixteen (16) feet from the finished floor to the top of the ridge board.
 - b) Roof pitch may not be less than 4/12 nor exceed 7/12.
 - c) Gables (without windows): Three (3) gable ends shall be allowed up to sixteen (16) feet high from the finished floor to the top of the ridge board.
- 9) Story & Half Cottage
 - a) Living Space above the first floor shall be determined based on any possible space above 5’ tall and 8’ wide, finished or unfinished.
 - b) Roof height: Maximum height allowed is to twenty one (21) feet from the finished floor to the top of the ridge board.
 - c) Dormers: Two (2) dormers shall be allowed up to three (3) feet wide/each.
 - d) Gables: Three (3) gable ends shall be allowed up to twenty one (21) feet high from the finished floor to the top of the ridge board.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“In lieu of a camping unit, **COTTAGES** will be permitted if they meet Franklin County's Ordinances, North Carolina Building Codes and Lake Royale building regulations. A minimum 12,000 sq. ft. lot size and a County approved Septic System with repair area are required and all setbacks for a house must be met. The maximum living space of the cottage may not exceed 899 sq. ft. and cottage must be site-built (may not be a mobile home, park model trailer or other type of structure). Each cottage lot property owner shall be allowed to store one (1) registered self propelled or towable camping vehicle that he owns (RV, 5th wheel, travel trailer) on his lot. The camping vehicle may not be used for living quarters at any time while on the owner’s lot. When the cottage receives a County Certificate of Occupancy (CO), it would become eligible for permanent occupancy, providing all County regulations are met. Multiple lots for cottage construction must be deeded as one and the deed must stipulate that it may not be subdivided. Cottages cannot be rented or leased for more than 90 days in any one calendar year.”

Section 8.6. Camping - Dumping and Sanitation

- 1) If lot is NOT equipped with a County approved septic system, there are dump sites provided by the POA for use in dumping camping unit holding tanks:
 - a) One is next to the boat ramp across from Comfort Station #1 on Sagamore Drive, and
 - b) Additional ones are at each Comfort Center.
 - c) Non-potable water is available at these sites to wash out your sewer hose.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“No outside toilet shall be allowed on the premises. No treated or untreated waste from any lot shall be permitted to enter any lake or stream within Lake Royale Subdivision. No sewage, garbage, liquid or solid waste disposal systems, pits, “post holes”, buried metal drums, or other similar structures or operations shall be permitted on any camping lot except for waste storage containers as approved by the Franklin County or Nash County Health Departments and approved by the Lake Royale Property Owners Association Board of Directors; septic tanks are permitted on Franklin County camping lots which are approved by the Franklin County Health Department and the Lake Royale Property Owner’s Association. All travel trailers, tent trailers, commercially produced recreational vehicles, pick-up campers, motor homes and other camping vehicles having sewage drains shall have said drains sealed for the duration of their stay on any camping lot. All sewage, solid wastes and trash must be disposed of at maximum time intervals of three days duration at dumping or trash stations or other places provided therefore off of camping lots. Any person using a camping installation without holding tank capabilities must use comfort centers provided for the disposal of all wastes, both liquid and solid, as required.”

Section 8.7. Camping - Garage (Unattached)

This applies to Franklin County only. Garages are not allowed in Nash County.

- 1) No garage shall be over one story. One story shall mean the unattached garage shall not exceed sixteen (16) feet in total height, as measured from the finished floor to the top of the ridgepole.
- 2) Garage shall have a concrete, sloped floor
- 3) Gables and knee walls (exterior) shall not be allowed
- 4) Windows higher than the top of the garage door shall not be allowed

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“Property owner must apply for a Building Permit from the BC and have it approved by them prior to the start of installation or construction.
One (1) unattached garage will be allowed on each camping lot, in lieu of a carport.
It must comply with all setback regulations.
It must be ten (10) feet from any other structure, including the camping unit.
It must be a four-sided enclosed structure.
It must have a minimum eight (8) foot wide garage door.
It must be one story.
Roof pitch may not be less than 4/12 nor more than 7/12.
It must not exceed 24 feet by 30 feet in size.
It must not be placed over any part of an existing or future septic system.
It must be used for storage purposes only, *not for living quarters at any time.*”

Section 8.8 Camping - Roof Over Camping Unit

- 1) Property owner must have a Building Permit from the BC prior to the start of installation or construction.
- 2) Metal carports may not be used as a roof-over.
- 3) A wooden roof-over a camping unit will be allowed providing it meets NC State building codes.
- 4) Roof pitch may not be less than 4/12 nor exceed 7/12.
- 5) Can only be one (1) story in height. Attic space shall only be used for light storage
- 6) Roof height: Maximum height allowed is sixteen (16) feet from the finished floor to the top of the ridge board
 - a) Roof over post are not to exceed twelve (12) inches from the camping unit or camping unit bump outs in setup mode.
- 7) Dormers: Two (2) dormers shall be allowed up to three (3) feet wide/each
- 8) Gables: Two gable ends shall be allowed up to sixteen (16) feet high, with one (1) additional gable allowed up to fourteen (14) feet high (All gable end shall be measured from the finished floor to the top of the ridge board)
- 9) Knee walls (exterior) shall not be allowed
- 10) A pre-existing covered porch or roof over does not need a permit to be screened (the screening is allowed because the footprint of the existing open structure is not being altered).

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“The roof may extend over the camping unit to prevent leaking between the two.”

“A carport being used as a roof over is not permitted. Exception: Metal carports that have been used as a roof over a camper with a permit dated prior to March 2, 2004 will be permitted. If the carport is removed or destroyed, it will not be allowed to be replaced as a roof over.”

Section 8.10. Camping - Storage Building/Shed (Unattached)

- 1) No storage building/shed shall be over one story. One story shall mean the unattached storage building/shed shall not exceed eleven (11) feet in total height, as measured from the floor surface to the top of the ridgepole.
- 2) Must be 10 feet from any other structure (including the main dwelling), per County UDO.
- 3) Roof pitch shall not be less than 4/12 nor more than 7/12.

NOTE: See Restrictive Covenants for additional details, or as referenced below:

“Any camping lot owner(s) shall be allowed to erect or place one commercially produced utility or storage shed (or a shed of equivalent construction and appearance) on each lot, said shed to be a four-sided enclosed structure of not more than one hundred and forty four (144) square feet and must comply with the setback requirements, and be approved by the Property Owners Association prior to placing the same on any lot. Such utility or storage building may not be used for living or camping purposes, but only for storage purposes”.

END OF PART I.

REFERENCES TO GENDER WILL
BE MEANT TO INCLUDE ALL
GENDERS

Lake Royale Rules & Regulations

Part II

Administration and Other Guidelines

NOTE: Article & Section #'s below correspond to the SAME #'s found in the USER'S GUIDE Table of Contents

Article 2. Organization of the Property Owners Association, Inc. (POA) and General Description of Areas within this Subdivision

Section 2.2. Powers of the Association

- 1) When a property owner accepts a deed or in any other way accepts ownership of the property, the provisions of the Lake Royale By-laws, Restrictive Covenants and adopted Rules and Regulations are binding on the property and the property owner.
- 2) Where the Restrictive Covenants and the Board of Directors adopted Rules and Regulations are more restrictive than those of the Federal, State or County; then the POA shall be the enforcing agency (i.e., we can be MORE restrictive, but not LESS restrictive than other governing bodies).
- 3) The Board of Directors of the Lake Royale POA is hereby authorized and directed to promulgate such rules and regulations as they deem to be in the best interest of the Association for implementing the Restrictive Covenants and By-laws of the Association which shall be enforceable to the same extent as the Restrictive Covenants for this Subdivision (per Article II, Section 8, Paragraph G of the Lake Royale By-laws).
- 4) Lots shall be inspected at the direction of the Association, or its duly authorized agent, to ensure strict compliance with all applicable restrictions.
- 5) The Association shall not be involved in disputes between property owners unless:
 - a) An illegal act is committed, in which case the property owner may seek enforcement through our Lake Royale Company Police, or
 - b) A dispute involves two Property Owners in a non-compliance issue
- 6) The *Franklin County Ordinances for Lake Royale* will be enforced and monitored by the Lake Royale POA through its Company Police force.

Section 2.4. Responsibilities of the Members

All members must comply with each and every Restrictive Covenant, By-Law, and Rule and Regulation pertaining to Lake Royale Subdivision as the same is recorded in the Office of the Register of Deeds of Franklin County and in the Office of the Register of Deeds of Nash County, North Carolina. Following are some extracts from the Community Association Institute (CAI) that have been adopted and applied to Lake Royale:

Rights and Responsibilities for a Better Lake Royale*Principles for Property Owners and Community Leaders***Property Owners have the Right to:**

- 1) A responsive and competent community association.
- 2) Honest, fair and respectful treatment by community leaders and managers.
- 3) Access appropriate association books and records.
- 4) Participate in governing the community association by attending meetings, serving on committees and standing for election.
- 5) Prudent expenditure of fees and other assessments.
- 6) Live in a community where the property is maintained according to established standards.
- 7) Fair treatment regarding financial and other association obligations, including the opportunity to discuss payment plans and options with the association before foreclosure is initiated.
- 8) Receive all documents that address rules and regulations governing the community association.
- 9) Appeal to appropriate community leaders those decisions affecting non-routine financial responsibilities or property rights.

Property Owners have the Responsibility to:

- 1) Read and comply with the governing documents of the community.
- 2) Maintain their property according to established standards.
- 3) Treat association leaders honestly and with respect.
- 4) Vote in community elections and on other issues.
- 5) Pay association assessments and charges on time.
- 6) Contact association leaders or managers, if necessary, to discuss financial obligations and alternative payment arrangements.
- 7) Request reconsideration of material decisions that personally affect them.
- 8) Provide current contact information to association leaders or managers to help ensure they receive information from the community.
- 9) Ensure that those who reside on their property (e.g., tenants, relatives, friends) adhere to all rules and regulations.
- 10) Remain a member in good standing to use POA facilities/amenities.

Community Leaders have the Right to:

- 1) Expect owners and non-owner residents to meet their financial obligations to the community.
- 2) Expect Property Owners to know and comply with the rules and regulations of the community and to stay informed by reading materials provided by the association.
- 3) Respectful and honest treatment from Property Owners.
- 4) Conduct meetings in a positive and constructive atmosphere.
- 5) Receive support and constructive input from owners and non-owner residents.
- 6) Personal privacy at home and during leisure time in the community.
- 7) Take advantage of educational opportunities (e.g., publications, training workshops) that are directly related to their responsibilities, and as approved by the association.

Community Leaders have the Responsibility to:

- 1) Fulfill their fiduciary duties to the community and exercise discretion in a manner they reasonably believe to be in the best interests of the community.
- 2) Exercise sound business judgment and follow established management practices.

Continued on next page

- 3) Balance the needs and obligations of the community as a whole with those of individual Property Owners and residents.
- 4) Understand the association’s governing documents and become educated with respect to applicable state and local laws, and to manage the community association accordingly.
- 5) Establish committees or use other methods to obtain input from owners and non-owner residents.
- 6) Conduct open, fair and well-publicized elections.
- 7) Welcome and educate new members of the community—owners and non-owner residents alike.
- 8) Encourage input from Property Owners on issues affecting them personally and the community as a whole.
- 9) Encourage events that foster neighborliness and a sense of community.
- 10) Conduct business in a transparent manner when feasible and appropriate.
- 11) Allow Property Owners access to appropriate community records, when requested.
- 12) Collect all monies due from owners and non-owner residents.
- 13) Devise appropriate and reasonable arrangements, when needed and as feasible, to facilitate the ability of individual Property Owners to meet their financial obligations to the community.
- 14) Provide a process Property Owners can use to appeal decisions affecting their non-routine financial responsibilities or property rights— where permitted by law and the associations governing documents.
- 15) Initiate foreclosure proceedings only as a measure of last resort.
- 16) Make covenants, conditions and restrictions as understandable as possible, adding clarifying “lay” language or supplementary materials when drafting or revising the documents.
- 17) Provide complete and timely disclosure of personal and financial conflicts of interest related to the actions of community leaders, e.g., officers, the board and committees.

Section 2.5. Lake Royale Company Police

- 1) The Lake Royale Company Police enforces NC state laws and county ordinances enacted by Franklin and Nash Counties.
- 2) They shall provide security for the Association, its members and their property and shall also oversee the main entrance gate at 105 Cheyenne Drive and all other gates to the Lake Royale Subdivision in the foreseeable future.
- 3) See *By-laws and Franklin County Ordinances for Lake Royale* for additional details.

Section 2.7. Common Property (includes Recreational Areas)

- 1) No encroaching, building or cutting down trees or underbrush on POA common property shall be allowed.
- 2) Vehicles and/or trailers parked for more than twenty-four (24) hours on POA property will be towed and stored at owner’s expense. An exception is vehicles and/or trailers that park at POA designated boat launch sites and/or POA designated Comfort Centers up to a maximum of forty-eight (48) hours. See *Section 3.46 Watercraft Dockage/Storage* in this listing (Part II) for additional information.
 - a) Contact POA office or the Lake Royale Company Police to locate a towed vehicle and/or trailer.
 - b) Standard towing and storage fees apply and must be paid before receiving said vehicle and/or trailer.
- 3) See *Franklin County Ordinances for Lake Royale* for additional details.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

“6. RECREATIONAL AREAS: *Recreational areas as defined herein are those areas to be owned in common by all members of Lake Royale Property Owners Association, Inc., such as but not limited to greenways, roads, picnic areas, bridle paths, beaches, recreational areas, clubhouses and swimming pools. Said areas are for the exclusive recreational use of Association members and their invitees and developer's guests and are to be kept and maintained in a state of good repair by the Property Owners Association out of the dues paid by its members. Camping will not be permitted on recreational areas. For the purposes of this section, the golf course and golf course clubhouse in Section 16 are not considered recreational areas.”*

“Pursuant to the agreement of the developer and the members of the Association all areas within the Subdivision as shown on the above-referenced plats are subject to the Restrictive Covenants. This agreement provides that all areas within the Subdivision which are not designated as property to be sold or to be developed by the developer will become the property of the Association at intervals based on completion of the various sections of the project by the developer. Upon acceptance of each of these areas by the Association from the developer it shall be the Association's responsibility to maintain each and

every area in a state of good repair and maintenance. The above-referenced recorded maps of Lake Royale Subdivision are incorporated herein by reference thereto for identification of the areas which are to be delivered to and maintained by the Association and designated as recreation, beach, comfort center, greenway, lake access marina, dam and spillway areas. In addition thereto, all roads shown on said maps, and all improvements and structures on said areas such as pools, tennis courts, bath houses, clubhouses, docks, marinas, golf courses, guard houses and other buildings and improvements on such areas as may be built or acquired by the Association for the use and benefit of the members of the Association, which are called amenities, shall be maintained in a state of good repair and order by the Association. The Association will, as funds permit, acquire additional amenities which shall be for the sole use and benefit of the membership of the Association and to be maintained by the Association.”

Section 2.9. Greenway/Buffer Areas

Permission from the POA must be obtained before disturbing any greenway/buffer area.

- 1) The greenway/buffer areas are NOT to be used by POA members for, but not limited to:
 - a) Storing of vehicles, trailers, watercraft, personal property and/or debris.
 - b) Construction of any type.
 - c) Any subterranean use.
 - d) Any type of camping and/or cooking except in designated areas.
 - e) Encroaching upon or cutting down trees or underbrush unless necessitated by a hostile act of nature
- 2) See Franklin County Ordinances (UDO) for additional details.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

*“1. **USE:** Each lot on the plats of the above-referenced lands in Lake Royale Subdivision have been designated as residential, camping, commercial, multiple dwelling, recreational, **greenways** or reserved for future development; undesignated lands within the Subdivision are for the mutual use of all property owners and their successors in title agree that each lot shall be subject to the use so designated as hereinafter defined and the rules and regulations promulgated by Lake Royale Property Owners Association; residential lots are designated by numbers only, camping lots have a prefix of the letter "C"; and all other areas are specifically designated.”*

*“6. **RECREATIONAL AREAS:** Recreational areas as defined herein are those areas to be owned in common by all members of Lake Royale Property Owners Association, Inc., such as but not limited to **greenways**, roads, picnic areas, bridle paths, beaches, recreational areas, clubhouses and swimming pools. Said areas are for the exclusive recreational use of Association members and their invitees and developer's guests and are to be kept and maintained in a state of good repair by the Property Owners Association out of the dues paid by its members. Camping will not be permitted on recreational areas. For the purposes of this section, the golf course and golf course clubhouse in Section 16 are not considered recreational areas.”*

*“Pursuant to the agreement of the developer and the members of the Association all areas within the Subdivision as shown on the above-referenced plats are subject to the Restrictive Covenants. This agreement provides that all areas within the Subdivision which are not designated as property to be sold or to be developed by the developer will become the property of the Association at intervals based on completion of the various sections of the project by the developer. Upon acceptance of each of these areas by the Association from the developer it shall be the Association's responsibility to maintain each and every area in a state of good repair and maintenance. The above-referenced recorded maps of Lake Royale Subdivision are incorporated herein by reference thereto for identification of the areas which are to be delivered to and maintained by the Association and designated as recreation, beach, comfort center, **greenway**, lake access marina, dam and spillway areas. In addition thereto, all roads shown on said maps, and all improvements and structures on said areas such as pools, tennis courts, bath houses, clubhouses, docks, marinas, golf courses, guard houses and other buildings and improvements on such areas as may be built or acquired by the Association for the use and benefit of the members of the Association, which are called amenities, shall be maintained in a state of good repair and order by the Association. The Association will, as funds permit, acquire additional amenities which shall be for the sole use and benefit of the membership of the Association and to be maintained by the Association.”*

Section 2.11. Rental of POA Campsites

- 1) POA campsites are available for rental to POA members and their guests.
 - a) Camper and/or tent campsites are at Comfort Center #1.
 - b) Maximum stay at the rental campsite is fourteen (14) days.
- 2) Reservation Procedure/Deposit:
 - a) Property owner must make the reservation at the POA office.
 - b) A deposit check is required and payable to the 'Lake Royale POA'.
 - c) A copy of the campsite rental form '*Lake Royale POA Campsite Rental Form*' must be attached to the deposit check. This form is available from the POA office.
- 3) Access to Lake Royale: The POA staff will issue a hangtag to the property owner at time of reservation. Property owner will then turn over the hangtag to their guest prior to or upon their arrival at the main gate so they may enter the Lake Royale Subdivision. This hangtag must hang from the inside rear view mirror or be left on the dashboard. In either case, hangtag must be visible at all times while within the Lake Royale Subdivision.
- 4) Refund of Deposit:
 - a) After the guest's departure, the POA Maintenance Dept. will conduct an inspection.
 - b) If the POA Maintenance Dept. signs off that the campsite was left in good condition, a refund of the original deposit will be returned to the property owner who made the reservation.

Section 2.13. Sub-Associations within Lake Royale

- 1) Sub-association(s) or its Successor(s) within Lake Royale Boundaries
 - a) All roadways within a sub-association that are within the boundaries of the Lake Royale Subdivision are to be maintained by the sub-association's property owners and/or developers.
 - b) Sub-association(s) shall have their own Board of Directors.
 - c) Sub-association(s) are subject to all the Lake Royale POA regulations, including the Restrictive Covenants, By-laws and Rules & Regulations. Sub-associations have the option within their own documents to be more restrictive than the Lake Royale POA documents, but not less restrictive.

Article 3 General Guidelines - ALL Lots**Section 3.5. Burning (Open & Closed)**

Effective 12-21-07, the NC Dept. of Environment and Natural Resources (DENR) and its representative the NC Forest Service (NCFS) has authorized the gate personnel at the Lake Royale Guard House to issue burning permits for brush and debris within Franklin and Nash Counties.

- 1) Obtaining permits: Open burn permits must be obtained from the Security Guard at the main gate (by authorization of the Lake Royale Company Police). The LR Company Police shall allow issuance of such permits unless permits for the area in question have been prohibited or cancelled under G.S. 113-60.25 or 113-60.27. (1981, c. 1100, s. 2)
- 2) Permit conditions: Permits issued under this Article shall be issued in the name of the person undertaking the burning and shall specify:
 - a) The specific area in which the burning is to occur
 - b) The type and amount of material to be burned
 - c) The duration of the permit. Up to a three (3) day permit may be issued at any one (1) time.
 - d) Such other factors as are necessary to identify the burning, which is allowed under the permit. (1981, c. 1100, s. 2.)
- 3) Exempt fires: The fire shall be confined:
 - a) Within an enclosure from which burning material may not escape or
 - b) Within a protected area upon which a watch is being maintained and which is provided with adequate fire protection equipment.
- 4) No charge shall be made for the granting of any permit required by this Article.....i.e. no fee for permit.

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- 5) Under the state open burning rule, homeowners can burn leaves, branches and other plant growth.
 - a) In all cases, **it is illegal to burn trash, lumber, tires, newspapers, plastics and/or other non-vegetative materials.**
 - b) Campfires and fires used solely for outdoor cooking and other recreational purposes, or for ceremonial occasions, or for human warmth and comfort and which do not create a nuisance and do not use synthetic materials or refuse or salvageable materials for fuel are allowed, unless permits for the area in question have been prohibited or cancelled or there is a State or County burn ban.
 - c) No unattended burning is permitted.
- a) For more information on the air quality rules related to burning, visit the Dept. of Air Quality (DAQ) web site at, www.daq.state.nc.us.
- 6) No open burning is permitted on POA property including, but not limited to, the POA right-of-way (includes drainage ditches).

Section 3.6. Businesses (home based)

- 1) Activities such as home office or customary home occupations shall be permitted but must be conducted by the owner of the property or an immediate family member who resides on the premises.
- 2) No lot is intended for use as commercial property except for lots so designated by the POA for commercial use.
 - a) Such use shall not create a nuisance upon other property owners within the Subdivision.
 - b) Owner(s) must register the business at the POA office.
- 3) No commercial operations including, but not limited to, auto repair, auto or camping or watercraft sales or repair, day care center, a breeding, boarding and/or grooming kennel for dogs, cats or other animals and/or commercial farming operation shall be maintained on any lot.
- 4) Any loud noise created by business-related activity shall be considered a nuisance.
- 5) No noxious or offensive trade or activity shall be permitted on any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to a neighbor or the neighborhood.
- 6) No mechanical equipment shall be installed or used except such that is normally used for domestic purposes and which does not cause noises or other interference in radio or television reception.
- 7) No outside storage of business related materials shall be allowed.
- 8) Activities such as, but not limited to, the assembly or disassembly of motor vehicles and other mechanical devices which might lead to disorder, noise, or unsightly conditions that can be construed as a nuisance, are prohibited.
- 9) See *Section 3.36 Signs* in this listing (Part II) for additional information.
- 10) See *Franklin County Ordinances for Lake Royale* for additional details.

Section 3.9. Clubhouse Regulations

- 1) Days of Operation: The facility hours are as advertised the same as Lake Front Grill. Hours for the facility will be posted and may periodically change.
- 2) Conduct: All persons must conduct themselves in a civil and courteous manner at all times and must not jeopardize or interfere with the rights and privileges of others. Loud, profane, indecent or abusive language is prohibited. No person's actions shall compromise the safety of another. All persons using the facility shall obey all safety rules and shall cease unsafe activity when directed to do so by the POA staff.
- 3) Ages: An adult shall accompany children under the age of 14 when in the Clubhouse facilities. (Adult shall be defined as a member age 18 years and up)
- 4) Guests: Residents shall always accompany guests when in the clubhouse.
- 5) Alcoholic Beverages: The sale of alcoholic beverages is prohibited in the facility. Alcoholic beverages consumed in or on any Association common area should be done with discretion. Drunkenness is not condoned and consumption beyond the State established legal limit is not allowed. Intoxicated individuals will be asked to leave the facility. Absolutely no consumption of alcohol will be allowed by minors (those under the age of 21). In accordance with state law any alcoholic beverage brought in to the Clubhouse shall be properly labeled with owner's name.

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- 6) Bulletin Board: The Clubhouse has a common area Bulletin Board for displaying events, activities, rules, activity calendar, and community communication. Common Bulletin Boards shall be cleared at the beginning of each month.
- 7) Pets: Pets are not allowed in the facility (except for certified service animals).
- 8) The Board of Adjustment may assess fines in connection with the enforcement of any rules and regulations brought before it by the CC&R Inspector and/or POA staff.

Section 3.10. Construction Debris

- 1) All blowable debris shall be placed in at least a three (3') foot high-confined area.
- 2) Construction debris shall be confined in one (1) location on a lot which is out of sight from the road (where possible)
- 3) All debris shall be removed as needed.

NOTE: Effective for all permits issued May 19, 2007, and thereafter.

Section 3.12. Disposal of Garbage, Refuse, Waste and Debris

- 1) No household or construction debris of any type shall be left or disposed of on any POA property (includes taking advantage of POA picnic trashcans). Nearby county run dumpsites are available for those that do not use available disposal services.
- 2) No lot shall be used as a dumping ground.
- 3) Dumping or blowing of leaves, grass clippings and other debris into the lake and/or drainage ditches is prohibited.
- 4) No property owner or occupant of any lot shall deposit or leave garbage, waste, putrid substances, junk or other waste materials on any property owner's lot, nor in the lake, nor on any portion of the POA's property. Failure to correct same when notified by the Association may result in maintenance of said lot by the POA in which event a proper charge will be assessed for same and shall be paid by the property owner.
- 5) Franklin County has established a household waste station on Sledge Road, within a short driving distance of the Main Gate. This waste station can also be accessed within Lake Royale off of Shawnee Drive.
 - a) Operating hours at the dumpsite should be observed.
 - b) When not open, do NOT leave debris, old appliances and the like outside the dumpsites fenced area.
- 6) The Franklin County dumpsite on Timberlake Road (off Highway 56 west of Louisburg) is for items (appliances, furniture, hazardous material, etc.) that will NOT be accepted at the County dumpsite on Sledge Road.
- 7) Trash put out for pick-up by a trash collector shall be in a trash container and is the responsibility of the property owner until collected.
- 8) If trash becomes strewn, it shall be the responsibility of the property owner to clean it up.
- 9) Campers should also see *Section 8.6. Camping - Dumping and Sanitation* in the User's Guide for additional information.
- 10) See *Franklin County Ordinances for Lake Royale* for additional information.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

"No debris, waste, garbage, trash or rubbish shall be allowed to accumulate on any lot."

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Section 3.13. Document Request Procedures

The Board of Directors of the LAKE ROYALE PROPERTY OWNERS ASSOCIATION is responsible for the enforcement of the Covenants, Bylaws, Rules and Regulations and Ordinances, which were filed as restrictions against all residential properties within the Lake Royale jurisdiction. While operating as a Not-For-Profit organization said restrictions having been adopted by Lake Royale Property Owners and filed with the Franklin and Nash County Clerks. This document is in compliance with the Non-Profit Act (55A) and Planned Community Act (47F).

The governing rules provide for the books, records and memoranda of the Association to be open to reasonable inspection of the owners or beneficiaries at the POA's place of business during business hours upon reasonable notice.

The Board of Directors is empowered with the authority to adopt reasonable rules and regulations in order to carry out the intentions of the governing documents. In its desire to best serve the owners and/or beneficiaries, the Board wishes to provide uniformity in the procedural aspects of disclosure. In order to act with fairness to all, they desire to set forth a finite policy with regard to disclosure of documents. Consequently, the Board of Directors deems it necessary to set forth fully the specific documents to be disclosed and the process by which all must comply in order to obtain disclosure.

Most importantly, the Board of Directors also deems it necessary to protect the privacy of all the individual employees of the POA and to ensure that confidential information relating to said employees is not disclosed, as well as confidential information referencing individual owners, beneficiaries, vendors, and contracts and/or financing institutions.

The Board of Directors of the LAKE ROYALE PROPERTY OWNERS ASSOCIATION hereby sets forth the procedure, which shall be complied with by all owners and/or beneficiaries desiring to obtain inspection of documents relating to the Association;

- 1) **Time of Request and Action by the Board:** Except for Permitted Documents as defined in Paragraph 3, all requests to inspect Association documents must be received in writing at the POA Office at least ten (10) business days prior to the next scheduled Open Board meeting. Such written requests must include a statement of purpose(s) for requesting the document(s). The Board must, in turn, respond to each properly submitted written inspection request, within ten (10) business days after the Open Board meeting.
- 2) **Content of Request:** Notwithstanding the terms of Paragraph 1, all requests for Association documents, which are not listed a "Permitted Documents" under Paragraph 3, shall clearly state the purpose(s) for which the inspection of Association documents is requested and identify specifically the documents, including relevant dates, which the owner and/or beneficiary wishes to inspect. The Board of Directors reserves the right to deny access to any requested records.
- 3) **Documents to be disclosed:** All requests to inspect Permitted Documents as defined here shall be subject to the receipt of a written request for the same. The Administration shall make available to the requesting owner and/or beneficiary the following Association documents which are deemed to be Permitted Documents at a mutually convenient time during regular business hours without any approval by the Board.
 - A) **Current Permitted Documents** (current being defined as within the last year)
 - 1) **Governing Documents:** Covenants, Bylaws, LR Ordinances and Rules & Regulations (Parts I & II).
 - 2) **Minutes from Open Sessions** (Including All Attachments) for the last three calendar years including:
 - a) Board of Directors Meetings (including Executive Sessions)
 - b) Membership Meetings
 - c) Newsletters
 - 3) **Financial Information:**
 - a) Assessment Records (for own property only) for the current and 2 previous calendar years
 - b) Income Tax Returns for the current and 2 previous calendar years
 - c) Financial Statements (annual & monthly) for the current and 2 previous calendar years
 - d) Real Estate Tax Records for the current and 2 previous calendar years.

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- e) Unemployment Tax Returns for the current and 2 previous calendar years
- f) Insurance Policies and Certificates for the current and 2 previous calendar years
- g) Investment Statements for the current and 2 previous calendar years
- h) Annual Budget for the current and 2 previous calendar years
- i) Other Committee(s) and Board of Adjustment minutes
- j) Current Employee Job Descriptions

Current Permitted Documents as listed above, for the time period as set forth herein, will be provided for inspection and copying within five (5) business days of such a request. Permitted Documents listed under these categories for a time period other than as specifically indicated for Current Permitted Documents are deemed to be "Archived Permitted Documents." Archived Permitted Documents need not be located on the POA Office premises, but may be off premises. Absent exceptional circumstances set forth in writing by the Board or its representative within the time prescribed herein, Archived Permitted Documents will be made available, if possible, within twenty (20) business days of such a request. The POA will impose an administrative charge of \$25.00 per hour for researching and locating Archived Permitted Documents. The POA shall have the right to request, in advance, a deposit to cover the estimated amount of any such charge, with any excess to be refunded promptly to the property owner or beneficiary.

- 4) **Protected Documents:** The following Association documents shall be deemed to be protected ("Protected Documents") and shall not be made available to the owners or beneficiaries for inspection at any time without the express prior approval of at least a simple majority of the entire Board after its receipt of a written request stating the purpose(s) for requesting the document(s) as indicated in Paragraphs 1 and 2 above. If the Board deems that such a request is for a proper purpose and approves same, any granting of such a request shall be subject to such necessary and reasonable restraints and/or conditions as the Board or its representative may impose. In exercising its judgment under this or the preceding paragraphs, the Board's decisions must be made for good cause based upon the factors listed in this paragraph. The Board must consider among other things: (i) whether the stated purpose of the request is unpropitious to the best interests of the Association or constitutes an unwarranted invasion of privacy; (ii) whether compliance with such request will impose an unreasonable administrative burden or expense upon the Association; (iii) the advice of counsel; or (iv) any other matters which are relevant to the welfare of the Association and its Members. The Board must inform the owner/beneficiary of its basis for any denial of making the requested document(s) available for inspection within five (5) business days of such denial. Documents which are included within the definition of protected Documents include:
- A) Matters Protected by the Provisions of Non-Profit Act (55A) and Planned Community Act (47F):
 - 1) Any document, the disclosure of which would constitute an invasion of individual privacy;
 - 2) Any document relevant to pending or anticipated litigation or contract negotiations;
 - 3) Any document falling within the attorney-client privilege to the extent needed for the attorney to exercise his ethical duties as a lawyer; and
 - 4) Any document involving the employment, promotion, discipline or dismissal of a specific officer or employee
 - B) Contract Bids and Proposals - Outstanding
 - C) Employee Applications
 - D) Employee Files
 - E) Payroll Records
 - F) Legal Files
 - G) Property Owner Lists
 - H) Individual Pension Information
- 5) **Board Discretion and Relevant Factors:** Any Association documents which are requested by an owner and/or beneficiary which are not expressly listed above as either a Permitted Document or Protected Document shall not be made available to owners and/or beneficiaries for inspection without the express prior approval of at least a simple majority of the entire Board after its receipt of a written request stating the purpose(s) for requesting the document(s) as indicated in Paragraphs 1 and 2 above. If the board deems that such a request is for a proper purpose and approves same, any granting of such a request shall be subject to

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such conditions as the Board may impose. In exercising its judgment under this or the preceding paragraphs, the Board's decisions must be made for good cause based upon the factors listed in this paragraph. The Board must consider among other things: (i) whether the stated purpose of the request is unpropitious to the best interests of the Association or constitutes an unwarranted invasion of privacy; (ii) whether compliance with such request will impose an unreasonable administrative burden or expense upon the Association; (iii) the advice of counsel; or (iv) any other matters which are relevant to the welfare of the Association and its members. The Board must inform the owner/beneficiary of its basis for any denial of making the requested document(s) available for inspection within five (5) business days of such denial.

- 6) **Number of Requests**: If the frequency, redundancy or number of a particular owner's/beneficiary's requests is such that it imposes an undue burden upon the employees of the Association to produce requested documents in a timely fashion, the Board or its representative may impose necessary and reasonable constraints and/or conditions upon the availability of such documents for inspection and copying.
- 7) **Copying of Documents**: In no event shall copies of any documents disclosed pursuant to this Procedure be provided to the inspecting owner and/or beneficiary, including but not limited to document(s) described as Protected Documents listed in Paragraph 4 herein, except that copies of Permitted Documents as defined in Paragraph 3 herein may be made at the owner and/or beneficiaries' expense, at reasonable rates as determined by the Association's Agent, with Agent being defined as owner of signature on file with the Secretary of the State of North Carolina for the Lake Royale Property Owner's Association.
- 8) **Removal of Documents**: Except as otherwise provided in this Procedure, no Association document(s) shall be removed from the POA office. Moreover the Association's Agent shall determine when and where all documents shall be inspected and shall ensure that all documents are inspected in the presence of designated Association personnel.
- 9) **Hours of Access and Related Costs**: Despite anything to the contrary in this Procedure, the Association shall not be required to make Association documents available for inspection or copying for more than four (4) hours in any given week, regardless of the number of owner and/or beneficiary requests that may be pending, unless the owner and/or beneficiary requesting same makes arrangement in advance with the Association Agent for personnel to be present in excess of the allotted time, either during or outside of normal business hours. In any event, such owners or beneficiaries shall pay to the POA an administrative charge of \$25.00 per hour for Permitted documents and \$80.00 per hour for Protected documents (which requires attention of the Agent) regarding all time in excess of one (1) hour during which such personnel are utilized to fulfill any such request. Moreover, the Association Agent shall have the right to request in advance a deposit to cover the estimated amount of any such charge, with any excess to be promptly refunded to the property owner or beneficiary upon fulfillment of the request.
- 10) **Confidentiality Agreement**: Prior to providing any owner or beneficiary with access to the Association documents pursuant to the Lake Royale POA Procedures, any owner, beneficiary or non-owner (who accompanies said owner or beneficiary) must sign Document 1A (Request for Access to Permitted Documents) or Document 1B (Request for Access to Non Permitted Documents) which includes an agreement to confidentiality.
- 11) **Members in Good Standing**: Access to the books, records and memoranda as set forth shall be provided to owners and/or beneficiaries who are in "good standing" at the time of the written request in the case of Permitted Documents (Item 3) or at the time of the Board vote on the individual disclosure request where such vote is required pursuant to this Procedure. For purposes of this Procedure, a member in "good standing" shall be defined as a member who has fully paid all installments due for Administration Fees, Dues, Fines, etc. made or levied against the member and/or his or her Properties by the Association, together with all interest, costs, attorney's fees, penalties other expenses, if any, properly chargeable to the member and/or his or her properties. Owners and/or beneficiaries who seek to challenge a determination that they are not in good standing may review their own property records and other records which are deemed reasonably related to the matter(s) that resulted in the owner's and/or beneficiary's loss of good standing, such as: inspection reports concerning his/her own properties; the current Lake Royale POA Budget; a statement of charges of account of the requesting owner and/or beneficiary; and correspondence with the owner and/or beneficiary directly related to the delinquent fees, dues or fines.

- 12) **Presence of Non-owners/Non-beneficiaries.** Unless otherwise stated in this Procedure or in any governing document of the LAKE ROYALE PROPERTY OWNERS ASSOCIATION, the owner or beneficiary given Board approval for access to the books, records and memoranda shall have the right to be accompanied during the inspection by any two individuals chosen by the owner or beneficiary.

Section 3.23. Maintenance of Lot

- 1) It shall be the responsibility of the property owner to maintain his or her property, including general repair and maintenance of any structure or any improvements thereon, as well as maintenance of any landscaping, trees and lawns in a neat and orderly condition.
 - a) Waterfront Lots: Any trees that have fallen into the lake from a member's lot must be removed within a reasonable time by the property owner.
- 2) If, in the opinion of the General Manager and/or CC&R Inspector a property owner fails to maintain his or her property in a neat and orderly appearance, the Property Owners Association, Inc. (henceforth POA) shall give written notice of the infraction to the property owner, and, if the violation has not been dealt with within a reasonable time period, the POA may enter the property and correct the offending condition, charging the cost thereof to the property owner. Such cost shall become part of the assessment and payable as defined in the By-laws.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

"It is the objective of these Covenants to provide a safe, wholesome and attractive private recreational community for the Association members in which each member is an integral part and which is solely supported by its members without outside government intervention or control and for that purpose each property owner covenants he will pay the dues to finance the reasonable operation and maintenance thereof."

"Owners shall maintain all dwelling, trailers, recreation vehicles, storage buildings and any other structure of any kind in good repair and appearance. Condition of said lot and appearance of structures shall be determined by the Lake Royale Company Police and/or POA Manager or Assistant Manager and is subject to appeal to the Board of Adjustments whose decision is final. Failure to correct same when notified by the Association may result in maintenance of said lot by the Association in which event a proper charge will be assessed for same and shall be paid by the property owner."

"The Corporation is further authorized and directed to acquire and maintain such personal property as may be reasonably necessary to carry out the purposes stated herein and keep such property in a state of good repair; said property to include motor vehicles, maintenance equipment, tools and materials which are to be purchased and maintained from Association dues."

Section 3.28. Pets and Animals

The Association shall follow the NC General Statutes, the NC Planned Community Act (47F) and *Franklin County Ordinances for Lake Royale* regarding penalties and/or owner liability for all damages done if household pets are not under control while off the owner's property.

- 1) Animals are NOT to be bred nor maintained for any commercial purpose.
- 2) All dogs and all cats allowed outdoors must wear a collar and have a current rabies tag and an address tag.
- 3) All dogs, cats, and any potentially dangerous animals must be on a leash and under control when outside the bounds of the owner's property. As written in the *Franklin County Ordinances for Lake Royale*: "It shall be unlawful for the owner of any dog or cat to permit or allow the dog or cat to commit a nuisance, or to be found running at large on any property within Lake Royale POA except on the property of the animal's owner."
- 4) No animal weighing more than 100 pounds (other than a dog) may be maintained on any property.
- 5) No horses, livestock, poultry or fowl of any kind shall be raised, bred, kept or maintained on any property.
- 6) No repetitious noises (such as constant dog barking) shall be tolerated.
- 7) The Association shall not be held accountable for any loss, damage or liability caused by any property owner's pet.

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- 8) See *Franklin County Ordinances for Lake Royale* for additional details.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

“9. NUISANCES: No animals or fowl shall be kept or maintained on said lot except customary household pets, which shall not be allowed to run at large.”

Section 3.29. POA Cards and their Use

- 1) **Membership Cards**:
 - a) Available to all qualified property owners on deed of record and family members living under the same roof.
 - b) Proof of residency shall be determined by driver’s license or non-drivers picture ID for those ages sixteen (16) and up.
- 2) **Guest Cards**:
 - a) Members must obtain guest cards from the Association office for their guests using the Association areas and facilities, herein known as amenities, and such members shall be accountable for themselves and their guests for any misconduct or violation of the Restrictive Covenants, By-laws and Rules and Regulations of the Association.
 - b) A non-member of the Association who uses the community areas or facilities of the Association who does not have in his possession a guest card shall be considered a trespasser under the laws of the State of North Carolina unless personally accompanied by a member of the Association in good standing.
 - c) A limit of five (5) guest cards may be obtained at the POA office.
 - d) Any guest card list over five (5) must be approved by the POA office.
- 3) **Functions/Events**:
 - a) **Private**: An unlimited number of guests may attend a private function as long as they are not using POA facilities.
 - b) **POA Sponsored**:
 - 1) A maximum limit of two (2) guests per property will be allowed until 24 hours prior to the event, after which time, if capacity has not been met, a property owner may register additional guests.
 - 2) Sign up guests IN ADVANCE of the function/event at the POA office. Call the POA office at (252) 478-4121 for details.
 - 3) Property owners POA card must be shown at the door.

Section 3.30. POA Facilities

POA Facilities are not to be used for profit or gain by a property owner or business without the written permission of the POA.

Section 3.31. Propane Tanks

- 1) The location for a propane tank on any lot must abide by all industry setback regulations.
- 2) No permit is required from the Building Committee (henceforth BC).

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Section 3.32. Rentals by Property Owners

- 1) Members desiring to rent their property:
 - a) Must be members in good standing.
 - b) Must first obtain approval from the Board of Directors or its designated agent or designated committee.
 - c) Shall in all events be accountable for actions of any persons to whom they rent.
- 2) Obtain a current copy of the '*Lake Royale POA Application to Lease*' form. Said form is available at the POA office or may be downloaded from the Lake Royale POA website: www.lrpoa.com.
- 3) The tenants shall not be entitled to use the community areas or other facilities of the Association until appropriate officials of the Association issue membership cards to them.
- 4) If the property owner is an absentee landlord (meaning he does not own property in the Subdivision for his sole use and pleasure) and still wants to use the amenities, he must pay a full set of dues in addition to the dues paid on the property owned and held for rental.
- 5) Tenants shall have no voting rights.
- 6) See *Section 2.11. Rental of POA Campsites* in this listing (Part II) for additional information.
- 7) Following is a sample of some of the wording of the '*Lake Royale POA Application to Lease*' form, but it may change in the future, so always check with the POA office or the POA website for a complete up-to-date copy.

Lake Royale POA Application to Lease

In accordance with the Lake Royale By-Laws page 5 section 8 paragraph B. "members desiring to rent their lots must first obtain approval from the Board of Directors or its designated agent and shall in all events be accountable for the actions of any person or persons to whom they rent."

The following standards must be met before the Lake Royale Board of Directors (or its designated agent, the POA General Manager) can approve the renting of any property.

General Standards - applies to ALL lots

- 1) A copy of the lease must accompany the application to rent.
- 2) A copy of the By-Laws and Restrictive Covenants of Lake Royale must be attached to the '*Lake Royale POA Application to Lease*' form and this application must be signed by both the lessee (tenant) and leaser (property owner), signifying that they understand their responsibilities as defined by these documents.
- 3) The leaser must provide to the POA office a copy of a National Criminal Background Review of the lessee(s) and all other adult tenants (can be acquired through www.integriscan.com). The source of this review must be acceptable to the Lake Royale POA. If the property owner wishing to lease his property requires assistance having the criminal background check run, the Lake Royale POA will offer guidance. **Any potential tenant convicted of a felony within the last 10 years will not be approved.**
- 4) A copy of this application and all attached documents will be retained by the POA.

Residential Lots (only)

The duration of the lease shall be for 12 months or more. This does not apply to vacation rentals, which are defined as dwellings being used for vacation purposes only and where the lessee (tenant) has a different permanent mailing address. Vacation rental leases are not to exceed 90 days (annually) and cannot be renewed.

- 1) If a lease has already been entered into, a copy of that lease must be presented to the Lake Royale POA office. Upon completion of said existing lease and before the lease is renewed, the general standards must be met.
- 2) If a month-to-month agreement has already been entered into prior to the implementation of the general standards, these new general standards must be met within 90 days.

Camping Lots (only)

Camping lots cannot be rented for permanent residence (Lake Royale Restrictive Covenants Section 3 Paragraph B). Any rental of them is by definition for short term (90 days per year or less) and for vacation purposes only.

Section 3.35 Road Repair Standards

- 1) Damaged roads need to be put back into good repair, at least as good of repair as they were before the damage occurred.
 - a) Repaired areas shall have all wet soils removed from the damaged area and replaced with clean dry suitable soils, preferably with a high sand content, properly compacted to within ten (10) inches of finished grade.
 - b) For the initial repair, ten (10) inches of compact crush and run, or ABC stone should be installed.
 - c) The paving contractor performing the final repair shall remove three (3) inches of crush and run or ABC stone, and install three inches of asphalt surface.
 - d) The asphalt patch shall be a smooth patch on edge (sealed) and on top (rolled/compacted).
- 2) Road repairs shall be made in a reasonably prompt manner. Specifically, initial repairs shall be made within twenty (24) hours of the time the road damage occurs and will continue such initial repairs thereafter until the final repair is completed.
- 3) To the extent additional or final repairs are required, Property Owner (responsible party) will promptly notify the contractor hired to complete final repairs which final repairs shall be completed within a reasonable period of time not to exceed sixty (60) days after the road damage occurs

Section 3.36. Signs

- 1) A permanent street address number shall be displayed on all improved property.
- 2) No signs of any kind shall be displayed on the POA's road right-of-ways without the written permission of the POA.
- 3) Temporary signs:
 - a) Signs for garage sales, open houses and social events may be displayed on personal property one (1) week before the event, but must be removed at the conclusion of the event or the following day.
 - b) Realtor signs:
 - 1) May be displayed until the sale closing. "Sold" signs shall be removed within two (2) weeks after the closing.
 - 2) Must be placed within the property owner's own property lines.
 - c) Business signs on personal lots are not permitted, however temporary "workman" signs not exceeding 2'x2' shall be allowed during the construction phase.
- 4) Signs are to be displayed in an upright, orderly fashion within the confines of the property pins.
- 5) No more than two (2) commercial signs per property shall be posted; with no more than one (1) sign per property line.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

- 1) *No signs of any kind shall be displayed on any lot except name signs and/or physical address signs **10** and "For Sale" signs not exceeding 2' x 2' without the written permission of the Lake Royale Property Owners Association, Inc., or its successors or assigns, unless otherwise required/allowed by N.C. law.*

Exceptions:

 - a) *Physical address and lot number signs must be displayed during construction. Lot number sign must be removed once construction is complete.*
 - b) *Political signs not exceeding 2' x 2' may be displayed on a property owner's lot no earlier than forty-five (45) days before the day of the election or later than seven (7) days after the election. No political signs shall be displayed on common areas, easements, right-of ways, or other areas owned by others.*

Section 3.37. Solicitations

No person or group shall make any door-to-door solicitations without first obtaining written permission from the Lake Royale General Manager or his designee.

Section 3.39. Swimming Pools (POA)

- 1) First five (5) daily passes per season are free, based on per set of dues paid. Thereafter 5 passes for \$5 at the POA office or \$2 for each pass at the pool.
- 2) **Swimming Pool Rules**

NOTE: Rules apply to pool, deck, and nearby areas unless stated otherwise.

- No running
- No boisterous or rough play
- Children under 14 must be supervised by an adult at all times
- Kiddy pool is for children 5 years and under only
- No diapers allowed in the pool, infants must wear little swimmers
- No under age (under 18 years of age) smoking allowed in or around the pool area
- Adults should not swim alone
- No person under the influence of alcohol or drugs will be allowed to use the pool
- No person with skin, eye, ear, or nasal infections allowed in the pool
- No person with communicable disease allowed in the pool
- Bathing suits required
- No animals or pets allowed
- No glass allowed
- No chewing gum allowed in the pool
- No alcoholic beverages allowed
- No food allowed
- Shower before entering pool area
- Do not touch the rope
- All persons using the pool do so at their own risk. Owners and management are not responsible for accidents or injuries.
- Pool is for the private use of members and their guest(s) only.
- Members shall stay with guest the entire time.
- Management reserves the right to deny pool use to anyone at any time.
- This pool is open Sunday 11am-8pm; Monday thru Saturday 9am-8pm (Water Aerobics is Monday thru Friday 9am-10am)
- The maximum number of swimmers allowed in the pool is 90. Once occupancy reaches 75, only members with valid POA cards will be allowed
- Everyone must have a valid POA card everyday to enter the pool or you will be charged \$2.00. No exceptions. Every family member must have a valid POA card. POA Properties cannot be used for profit, personal gain, business gain, or commercial gain
- INFO – First aid kit is in the lifeguard room
- INFO – Emergency telephone is located in the lifeguard room

Diving/Deep End Rules

- No diving allowed in areas of pool less than 5 feet deep or pools not approved for diving
- Anyone under 18 must pass a swim test before entering the deep end
- One person on the diving board at a time
- Only one bounce
- Before jumping, make sure area in front of diving board is clear
- Jump straight out in front of the diving board
- Swim straight to the side once entering the water
- Do not hang on the diving board
- No swimming under diving board

Section 3.42 Trash on POA Properties

Trash receptacles located on POA property shall not be used for household trash. Household trash shall be disposed of off site, except for allowable trash accepted at the county facilities located at 170 & 171 Shawnee Drive.

Section 3.43. Uses of Lake

- 1) Fishing:
 - a) North Carolina Wildlife Commission regulations apply
 - b) Guests fishing from POA common areas must be accompanied by the property owner.
- 2) Watercraft:
 - a) North Carolina Wildlife Commission regulations apply
 - b) Only POA members in good standing may bring their OWN watercraft inside the gate. Watercraft includes both powered and non-powered vessels.
 - c) POA member must provide proof of ownership (registration, certificate of title or bill of sale) of the watercraft at the POA office or the main gate. See *Section 3.44 Vehicles (general information)* in this listing. If acceptable, the POA will provide the property owner with one (1) sticker, applied by the POA, which will be prominently displayed on the left bow or windshield of the watercraft.
 - d) Property owners are responsible for informing guests on the appropriate use of watercraft and rules and regulations peculiar to North Carolina and Lake Royale.
- 3) Swimming/Public Beaches:
 - a) Public beaches are provided at the Pavilion and the Clubhouse. These beaches do NOT have lifeguards and as a result swimmers must swim at their own risk.
 - b) Swimming is allowed from boats and private property.
 - c) Swimming is at the swimmers own risk.
 - d) Swimmers are cautioned against swimming in the open water without a boat accompanying them.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

“Use of the Lake shall be in compliance with the rules and regulations of the Lake Royale Property Owners Association and the North Carolina Wildlife Commission.”

Section 3.44. Vehicles (general information)

- 1) General:
 - a) All vehicles including, but not limited to, cars, trucks, ATVs, golf carts, motorcycles, and scooters, in this subdivision must be clearly identified at all times by either a POA sticker on the left front windshield or a hangtag on the inside rear view mirror or dashboard which must remain visible at all times.
 - b) No vehicle including, but not limited to, cars, trucks, ATVs, golf carts, motorcycles, and scooters shall be operated or parked within the Subdivision except on roads or in designated parking areas or as an owner may direct on his own property.
 - c) Overnight parking on POA easements (includes right-of-ways) is not permitted.
 - d) All vehicles including, but not limited to, cars, trucks, ATVs, golf carts, motorcycles, and scooters shall be operated in a safe and careful manner and in compliance with the posted traffic signs and of Rules and Regulations promulgated from time to time by the Association and in accordance with the rules of the road established by the General Assembly of North Carolina for use on public roads.
 - e) Chapter 20 of the North Carolina General Statutes is hereby adopted by the Association for rules governing operation of motor vehicles on the roads within the Subdivision and incorporated herein by reference thereto.
- 2) Property owners: Property owners in good standing may obtain a POA sticker upon presenting proof of ownership of the vehicle (vehicle registration or bill of sale) for each vehicle to be registered. This includes, but is not limited to, cars, trucks, ATVs, golf carts, motorcycles, and scooters. When a ‘bill of sale’ is presented, a hangtag will be issued until a registration is obtained. Property owners not in good standing are eligible for hangtags only.
 - a) POA stickers are issued for the fiscal year April 1 to March 31 of the following year.

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- b) POA stickers or hangtags are required on all vehicles permitted on POA roadways including, but not limited to, cars, trucks, ATVs, golf carts, motorcycles, and scooters. Mini-motorcycles are not legal on POA roads.
- 3) Guest of Property owners
 - a) Guests with POA guest cards furnished by a property owner will be required to have a hangtag while on Lake Royale property. Presentation of the guest card will enable a holder to obtain a hangtag for a period not to exceed fourteen (14) days.
 - b) Guests without a POA guest card will have to be admitted by a property owner alert (calling the main gate in advance). The property owner's permission to have the guest enter Lake Royale gives the Safety Officer at the main gate the authorization to issue a hangtag for a period not to exceed fourteen (14) days.
 - c) Upon their arrival, guests must register their vehicle at the main gate. This includes, but is not limited to, cars, trucks, ATVs, golf carts, motorcycles, and scooters. The Safety Officer shall provide a hangtag with the last date of admittance to Lake Royale recorded thereon. This hangtag shall be placed hanging from the inside mirror or placed on the dashboard and must remain visible at all times while on Lake Royale property.

Section 3.46 Watercraft Dockage/Storage

- 1) On PRIVATE property:
 - a) In the water - Watercraft may be stored in the water in a boat slip, moored at the dock, moored to the shore, or anchored at the property owner's lot or at a lot of another property owner with that property owner's approval.
 - b) Out of the water - Only currently registered watercraft and watercraft trailers with a current, valid license may be stored in the open on private property. Trailers without a valid license will be considered abandoned.
 - c) No abandoned watercraft and/or watercraft trailers are allowed to remain on any lot.
- 2) On POA property:
 - a) In the water:
 - 1) Public docks and launch sites are provided by the POA for the use of members in good standing.
 - 2) Persons using public docks and launch sites do so at their own risk.
 - 3) In the event of high water, high wind, or other extremely bad weather, all watercraft should be removed to protected areas or high ground.
 - 4) Watercraft owners are responsible for all damage caused by their vehicles or watercraft to POA property, private property, adjacent vessels, public docks and/or launch sites.
 - 5) The POA neither assumes nor accepts responsibility for damage caused by non-POA watercraft or vehicles at these facilities.
 - b) Out of the Water:
 - 1) With a valid license plate: Only currently registered vehicles, watercraft (with a NC Wildlife and/or POA boat sticker) and watercraft trailers with a current, valid registration/license plate Vehicles and watercraft trailers may be parked temporarily at public launch sites and public may be stored in the open on POA property designated for that purpose.
 - a) docks while a boat is being used.
 - b) Any type vehicle (includes watercraft trailers) may be parked at public launch sites for a period not to exceed forty-eight (48) hours.
 - 2) Without a valid license plate: Vehicles, watercraft and watercraft trailers without a valid license plate stored in the open on POA property designated for that purpose will be considered abandoned and will be towed away at owners expense.
- 3) See *Franklin County Ordinances for Lake Royale* for additional details.

Article 10. Board of Adjustment (BOA)

Section 10.5. BOA - General Guidelines

- 1) The BOA meets on the 4th Thursday of each month (unless otherwise posted) at 7:00 p.m. at the Lake Royale Clubhouse, 101 Sagamore Cove, Louisburg, NC.
- 2) The deadline to apply and be heard by the BOA is three (3) weeks (21 days) prior to the scheduled meeting.
- 3) A completed application form for a hearing before the BOA must be submitted before the twenty-one (21) day deadline; otherwise the hearing will be scheduled for the following month.
- 4) A one-time twenty-five (25) dollar non-refundable application fee is required for a Variance or Committee Appeal Hearing.
- 5) A concerned property owner, member of the POA, CC&R Inspector or any other POA staff member may report violations of the Restrictive Covenants, By-laws and/or Rules and Regulations.

Section 10.6. BOA - Filling of Vacancies

BOA members may not be members of the Lake Royale Board of Directors nor the Lake Royale Building Committee (BC) at the same time because of 'conflict of interest' considerations.

- 1) The Board of Directors shall be responsible for maintaining, by additional appointments, any vacancies that occur on the BOA. See 2c below for the procedure used.
- 2) The BOA members shall, amongst themselves:
 - a) Elect officers each year at the 1st scheduled meeting in January. Positions up for re-election each year are: Chairperson, Vice-Chairperson, Secretary and Sergeant-of-Arms.
 - b) Consider the termination of any regular member who has failed to attend three (3) consecutive meetings.
 - c) When a vacancy for a regular member occurs, an alternate may be chosen to fill that position by a majority vote of **all** attending BOA members, subject to approval by the BOD. The term of office for the vacated position will not change.
- 3) Once an appointed member's term runs out, said member may be re-appointed by the Board of Directors as a regular member or as an alternate member for an additional three (3) year term of office, providing they are willing to serve.

Section 10.7. BOA - Quorum

- 1) A five (5) member quorum is required at any BOA hearing.
- 2) To achieve the necessary five-member quorum, alternates shall be appointed by the acting Chairman of the BOA to act on behalf of an absent regular member to achieve the necessary five regular member quorum.
- 3) **Variance and Committee Appeal Hearings:** A quorum of the BOA members present for the purposes of a Variance or Committee Appeal hearing shall be five (5) regular members and if a regular member is absent, an alternate member shall fill in for the absent regular member. Alternates filling in for an absent regular member shall have the same voting rights as the regular member he/she is replacing.
- 4) **Non-compliance (Fine) Hearing:** A quorum of the BOA members present for the purposes of a non-compliance hearing shall be the five (5) regular members plus any alternate members in attendance.
- 5) **Business Meeting:** All members of the BOA shall participate in any regular business portion of the meeting of the BOA.

Section 10.10. BOA - Types of BOA Hearings

- 1) The following hearings may be heard by the BOA:
 - a) **Non-compliance (Fine) Hearing:** The BOA shall hear and adjudicate non-compliance cases of property owners who have been cited by the General Manager and/or the CC&R Inspector. If the property owner is found out of compliance, the BOA shall determine whether to assess a fine, or fines, and set the amount of the fines(s). See *Section 10.11 Non-compliance (Fine) Hearing* in this listing (Part II).
 - b) **Committee Appeal Hearing:** The BOA shall hear appeals at a committee appeal hearing and make a judgment as to the validity of the committee appeal request. See *Section 10.12 Committee Appeal Hearing* in this listing (Part II).
 - c) **Variance Hearing:** The BOA shall hear appeals at a variance hearing and administer an appropriate judgment to the property owner. See *Section 10.13 Variance Hearing* in this listing (Part II).

Section 10.11. BOA - Non-compliance (Fine) Hearing

- 1) Any party alleged in non-compliance may appear in person, by agent, or by attorney at a non-compliance hearing of the BOA.
- 2) It shall be within the authority of the BOA (as directed by the BOD) to find property owners in non-compliance and to levy fines for non-compliance of the By-laws, Restrictive Covenants and/or adopted Rules and Regulations applicable to this Subdivision.
- 3) In open or closed session, all members in attendance shall determine by voice vote whether or not the property owner is to be found out of compliance. If the property owner is found to be currently out of compliance, the BOA will proceed to the fining process.
- 4) If the property owner is found to be non-compliant at time of citation but has corrected the violation at time of original hearing, no initial fine will normally be assessed, but a recurring fine may be imposed to apply to the same violation occurring within a reasonable time in the future. If the same violation occurs within a reasonable time, the recurring fine will be imposed from the date of the violation until the date of correction. The instance of the imposition of the recurring fine will be affirmed by the BOA at its next scheduled meeting.
- 5) Fines must be within the limits established by the BOD. The amount of the fine(s) shall not be:
 - a) Less than fifty (\$50) dollars nor greater than one-hundred (\$100) dollars for an initial fine, nor
 - b) Less than five (\$5) dollars nor greater than fifty (\$50) dollars per day for a recurring fine, based upon either:
 - 1) A recurrence of a particular non-compliance incident, or
 - 2) A per-violation day recurrence of a prolonged continuous situation of non-compliance.
- 6) The amount of any initial fine and/or recurring fine adjudged appropriate by the BOA shall be the average of the amount independently specified by the regular and alternate members in attendance at the non-compliance (fine) hearing....i.e., all BOA members present at a fine hearing shall vote. Members votes cast outside the range authorized by the BOD shall be invalid (see range of fines in 5a & 5b above).
- 7) After a decision on the non-compliance within a reasonable time, the BOA shall attempt to notify the property owner within twenty-four (24) hours and the POA shall provide to the property owner a notice of the BOA's decision, in writing, within five (5) business days.
- 8) Once fines levied on a property reaches a total of two-thousand (\$2,000) dollars and after 45 days of daily fines, action to foreclose on the property may begin.
- 9) The BOA may not reopen and rehear a case that it decided earlier if the facts of the case have not changed substantially.
- 10) Any decision made by the BOA may be appealed in writing to the BOD within thirty (30) days. See *Section 10.16 BOA - Appealing BOA Decision to the Board of Directors* in this listing (Part II) for additional details.

Section 10.12. BOA – Committee Appeal Hearing

- 1) Any party appealing an action or decision of a committee may appear in person, by agent, or by attorney at a hearing of the BOA.
- 2) The BOA shall adjudicate each case brought before it based on the evidence presented including all relevant documentation, and the sworn (or affirmed) relevant testimonies given by all parties called or volunteering it.
- 3) Pursuant to the procedures in effect at the time, once a committee appeal process is started and the matter is brought before the BOA, all papers, pictures, charts, drawings and forms constituting the records associated with the hearing process are maintained as permanent records of the hearing and are properties of the POA.
- 4) The members of the BOA may ask questions of any witness at any time during the proceedings.
- 5) The five (5) designated BOA voting members shall meet in closed session and discuss the committee appeal request and deliberate the evidence presented. Each voting member shall fill out a checklist indicating his/her vote.
- 6) After the BOA has reached a decision on the committee appeal within a reasonable time, the BOA shall attempt to notify the applicant within twenty-four (24) hours and the POA shall provide to the applicant a notice of the BOA's decision, in writing, within five (5) business days.
- 7) The BOA may not reopen and rehear a case that it decided earlier if the facts of the case have not changed substantially.

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- 8) Any decision made by the BOA may be appealed in writing to the BOD within thirty (30) days. See *Section 10.16 BOA - Appealing BOA Decision to the Board of Directors* in this listing (Part II) for additional details.
- 9) See *Section 10.8 BOA -Type of Appeals to BOA* in the User's Guide. In particular, see #2 'Committee Appeal'.

Section 10.13. BOA - Variance Hearing

In order for property owners to secure a variance from the existing By-laws, Restrictive Covenants and/or Rules and Regulations applicable to this Subdivision, the BOA must establish that **practical difficulties** or **unnecessary hardships** would result from the carrying out of the strict letter of the restrictions of the Restrictive Covenants and/or By-laws and/or Rules and Regulations applicable to this Subdivision. The **practical difficulties** or **unnecessary hardships** MUST be related to the physical property (land), not to any condition or action or decision of the property owner. The BOA shall not offer remedial suggestions to property owners that have been denied a variance, either individually or collectively,

- 1) Any party may appear in person, by agent, or by attorney at a hearing of the BOA.
- 2) The BOA shall adjudicate each case brought before it based on the evidence presented including all relevant NOTARIZED documentation, and the sworn (or affirmed) relevant testimonies given by all parties called or volunteering it.
- 3) Pursuant to the procedures in effect at the time, once a variance request process is started and the matter is brought before the BOA, all papers, pictures, charts, drawings and forms constituting the records associated with the hearing process are maintained as permanent records of the hearing and are properties of the POA.
- 4) The members of the BOA may ask questions of any witness at any time during the proceedings.
- 5) The five (5) designated BOA voting members shall meet in closed session and discuss the variance request and deliberate the evidence presented. Each voting member shall fill out a checklist indicating his/her vote.
- 6) After the BOA has reached a decision on the variance within a reasonable time, the BOA shall attempt to notify the applicant within twenty-four (24) hours and the POA shall provide to the applicant a notice of the BOA's decision, in writing, within five (5) business days.
- 7) The BOA may not reopen and rehear a case that it decided earlier if the facts of the case have not changed substantially.
- 8) Any decision made by the BOA may be appealed in writing to the BOD within thirty (30) days. See *Section 10.16 BOA - Appealing BOA Decision to the Board of Directors* in this listing (Part II) for additional details.

Section 10.15. BOA - Time Requirements for Compliance

It shall be within the discretion of the BOA to establish a date that a member found non-compliant must come into compliance with the By-laws, Restrictive Covenants and/or adopted Rules and Regulations of Lake Royale.

Section 10.16. BOA - Appealing BOA Decision to Board of Directors

- 1) Any appeal to the BOD must be in writing within thirty (30) days of the BOA's decision.
- 2) Forms are available at the POA office.
- 3) Appeals shall be heard at the BOD's regular monthly meeting OR at another time chosen by the BOD.
- 4) Decisions of the BOD are final within the policies governing Lake Royale.
- 5) See *Section 11.1 Enforcement Procedure of the Board of Directors* in this listing (Part II) for additional information.

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

"Every decision of the Board (of Adjustment) shall be subject to review by the Board of Directors of the Lake Royale Property Owners Association. Any petition for review by the Board of Directors of Lake Royale Property Owners Association shall be filed with the Secretary of the Lake Royale Property Owners Association within thirty (30) days after the decision of the Board of Adjustment is filed in the office of the Manager of the Lake Royale Property Owners Association. The decisions of the Board of Directors of the Association shall be final."

Article 11 Enforcement of Restrictive Covenants, By-laws and Rules & Regulations

Section 11.1. Enforcement Procedure of the Board of Directors

- 1) After the Lake Royale Board of Directors (BOD) hears an appeal, a property owner whose appeal is denied must come into compliance. If the property owner fails to comply, the BOD may declare that property owner a member not in good standing.
- 2) A decision of the BOD to an appeal is final and any further action by the property owner would involve the legal system.
- 3) See *Section 10.16. BOA - Appealing BOA Decision to Board of Directors* in this listing (Part II) for additional details

NOTE: See *Restrictive Covenants* for additional details, or as referenced below:

“ Any petition for review by the Board of Directors of Lake Royale Property Owners Association shall be filed with the Secretary of the Lake Royale Property Owners Association within thirty (30) days after the decision of the Board of Adjustment is filed in the office of the Manager of the Lake Royale Property Owners Association. The decisions of the Board of Directors of the Association shall be final.”

Section 11.2. Fines, Liens, Foreclosures, Fees and Suspensions

Fines:

- 1) At the direction of the Lake Royale Board of Directors, the Board of Adjustment (BOA) shall impose fines for non-compliance of any of the Restrictive Covenants, By-laws and/or adopted Rules and Regulations of Lake Royale.
- 2) Per NC statutes, an initial fine up to one-hundred (\$100) dollars may be imposed for each non-compliance occurrence and in addition a recurring fine up one-hundred (\$100) dollars per day for each non-compliance occurrence may be imposed. However, the fining standards set by our Lake Royale BOD are a maximum one-hundred (\$100) dollars for an initial fine and a maximum fifty (\$50) dollars per day for a recurring fine.
- 3) Such fines shall be assessments secured by liens and possible foreclosure, if not paid.

Liens and Foreclosures:

- 1) **Basis for Liens:** If the above-mentioned imposed fine is not paid, a lien on the property shall be invoked.
- 2) **Basis for Foreclosure:** Once fines levied on a property reach a total of two-thousand (\$2000) dollars and after forty-five (45) days of daily fines, whichever occurs later, action may be taken by the POA management to foreclose on the property.

Fees:

The BC has the authority to collect fees as determined by the Board of Directors for exterior building projects, including, but not limited to, building construction and renovations.

Suspensions: (members NOT in good standing)

The Board of Directors may impose a suspension of community privileges or services if the property owner is declared not in good standing.

- 1) The property owners POA card will be invalidated.
- 2) Suspension of community privileges shall result in a loss of access to common areas and events, including but are not limited to, beaches, Clubhouse, lake, swimming pool, public docks, fishing tournaments, teen parties, steak night, etc.
- 3) The suspension may be continued without further hearing until the non-compliance is resolved.
- 4) Suspended privileges shall not include right of access by the owner to his or her property.

Article 13. Registration of Rules and Regulations

The Lake Royale adopted Rules and Regulations may be adjusted and updated at the Board of Directors discretion throughout the year by a majority vote. In August of each year, said Rules and Regulations will be updated and registered at the Register of Deeds office in both Franklin and Nash County.

IN TESTIMONY WHEREOF, Lake Royale Property Owners Association, Inc., by authority of the powers granted it by the owners of property in Lake Royale Subdivision, the Restrictive Covenants and Planned Community Act heretofore recorded in the office of the Register of Deeds of Franklin and Nash Counties has caused this instrument to be executed in its corporate name by its President, Vice-President and attested by its Secretary and its corporate seal affixed hereto this ____, day of _____, 2008 and has directed its Secretary to record the same in the office of the Register of Deeds for Franklin and Nash Counties.

ATTEST: Lake Royale Property Owners Association

By _____
Ken Smith, Secretary Date Stuart Nottingham, President Date

(Corporate Seal)

Ryan Walker, Vice-President Date

North Carolina

_____ County

This ____ day of _____, 20____, personally came before me, _____, Notary Public for said County and State, _____, who, being by me duly sworn says that he is _____ of the _____ a Corporation, and that the seal affixed to the foregoing instrument in writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and official seal, this the ____ day of _____, 20__.

Notary Public

(Official Seal)

My Commission expires _____