

SARDIS FOREST PATIO HOMES ASSOCIATION, INC.
RULES AND REGULATIONS

Adopted by Board of Directors on February 2, 1984
1st Amendment: September 2, 2010; 2nd Amendment: February 7, 2012
3rd Amendment: July 31, 2012; 4th Amendment: March 1, 2017
5th Amendment: June 1, 2018; 6th Amendment: February 27, 2020
7th Amendment: November 16, 2021; 8th Amendment June 23, 2022

The Sardis Forest Patio Homes Association, Inc. is managed by Cedar Management Group. Please direct all correspondence to the management company at the addresses provided below:

Mailing Address:
Cedar Management Group
PO Box 26844
Charlotte, NC 28221

Physical Address:
Cedar Management Group
10610 Metromont Parkway, Suite 204
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These Rules and Regulations were prepared and amended by the Board of Directors in accordance with the Declaration of Covenants, Conditions and Restrictions (the “Covenants”) of the Sardis Forest Patio Homes Association (the “Association”) and the North Carolina Planned Community Act, NCGS Chapter 47F.

A. ARCHITECTURAL CONTROL

The Covenants of the Association require prior approval by the Board of Directors (the “**Board**”) or the Architectural Control Committee (the “**Committee**”) before Owners (as that term is defined in the Bylaws of Sardis Forest Patio Homes Association) are permitted to make any changes to the exterior appearance of their Lot. **Owners must obtain prior written approval by the Committee for all exterior changes or additions including, but not limited to, buildings, fences, walls or other structures, patio enclosures to make screen porches or sun porches (sun rooms), with additional approval required to later convert screen porches to sun porches (sun rooms), windows, doors, storm windows, storm doors, privacy fences, wrought iron railings, and exterior portions of replacement heating and air conditioning systems. Owners shall not paint any exterior portion of the building without prior written approval by the Committee.** Proposed changes must be submitted to the Committee in writing by contacting the management company and allowing up to thirty (30) days for a decision.

B. USE OF COMMON AREA AND FACILITIES

The Common Area “shall mean all real property owned by the Association for the common use and enjoyment of all Members or Owners,” as these terms are defined in the Bylaws of the Association. Use of these open spaces (including all parking lots) should not interfere with the use and enjoyment of other Owners.

1. Trash, garbage or litter shall not be placed anywhere in the Common Area, except in the designated rollout bins provided by the City of Charlotte (see Section E on page 3). With the exception of the rollout bins, nothing may be stored outside the privacy fences in the Common Area. No structure or obstruction shall be placed on the Common Area without prior written approval by the Board. Examples of prohibited structures and obstructions include, but are not limited to, footbridges, tree houses, doghouses, and fences.

2. No Member or Owner shall create new trails, paths, or roadways through the Common Area without prior written approval by the Board. Members and Owners shall not cut or remove any tree, bush, shrub, vine, undergrowth, flower, or other plant from the Common Area without prior written permission by the Board.
3. Members and Owners shall keep dogs on a leash while on the Common Area. Members and Owners must remove any feces deposited by any dog under their care from the Common Area.
4. Motorcycles, mini-bikes, go-carts, and other unauthorized motorized vehicles as determined by the board of directors in its sole discretion shall not be used in the Common Area.
5. Members and owners are prohibited from using firearms of any type in the Common Area.
6. "For Sale" or "For Rent" signs shall not be allowed on Common Area. As provided in the Covenants, no sign shall be displayed to the public view on any Lot except one professional sign of not more than one square foot or one sign of not more than four square feet advertising the property for sale or rent.
7. As provided in the Covenants, Members and Owners shall not maintain unsightly outdoor storage on porches, patios or yards.

C. NOISE AND OTHER NUISANCES

No activity deemed noxious or offensive shall be carried on upon any lot or within the Common Area, at any time of day; nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Examples of such offensive activities shall include, but not be limited to, the origination or emission of any loud or disturbing noise or vibrations including loud outdoor cell phone conversations, loud music, the maintenance of automobiles, the unsightly outdoor storage of personal property on porches, patios, or yards (including toys, unauthorized motor vehicles, tricycles, bicycles, wood piles or other miscellaneous items), out-of-control trees, plants and weeds in courtyards or similar unsightly activity not in keeping with the aesthetic character and high level of appearance of the community.

Trees, tree limbs, and tree branches that are less than twelve (12) feet from the exterior surface of any home, and any tree limbs and tree branches that hang over any roof, are considered an annoyance and nuisance due to the damage these conditions can cause to the exterior of buildings.

D. PARKING

1. Owners, Members, and their guests must park vehicles in their assigned parking spaces. If both assigned spaces are in use, guests may park in the spaces labeled "visitors" for a period not to exceed one week. All vehicles on Common Area must be in an operable condition, must display a current license tag, and must be in a condition that the vehicle can be driven on any State road. No campers, trucks, vans, or recreational vehicles may be parked or kept within the Properties, except at locations specifically designated for such by the Board. No trailers, boats or tractors may be parked or kept within the Properties, except for maintenance equipment owned by the Association. Motorcycle, watercraft, semi with or without trailer, school bus, camper trailer, recreational vehicle, commercial and work vehicles, or any vehicle deemed unsightly by the Board of Directors in its sole discretion shall not be parked in a driveway, parking space or in the Common Area without prior written approval of the Board of Directors.
2. No recreational activities of any kind shall take place in the parking lots without prior written permission from the Board of Directors. Requests should be sent to the Board of Directors through

the management company. Specific activities include, but are not limited to:

- a. Throwing footballs, Frisbees or other airborne objects
 - b. Skateboarding or bicycling, unless being used for non-recreational transportation
 - c. Playing in water from water hoses
 - d. Neighborhood parties
3. Illegally parked vehicles will be notified via sticker on the vehicle. Parking exceptions for these types of vehicles and conditions must be made by sending a written request to the Board of Directors through the management company.

E. GARBAGE AND REFUSE DISPOSAL

Each unit has a garbage rollout bin (the “**Garbage Bin**”), and a recycle rollout bin (the “**Recycle Bin**”) if requested, provided by the City of Charlotte. All Garbage Bins and Recycle Bins shall be labeled with the address of the Owner.

1. Garbage must be bagged before it is placed in the Garbage Bin and the lid must be in place. The City of Charlotte determines what items are recyclable items and Owners and Members should call 311 with questions related to such. Garbage should never be placed in the Recycle Bin.
2. Garbage Bins and Recycle Bins shall be placed at the curb no sooner than the day before the scheduled collection day. All bins must be removed from the curb by midnight on the day of collection. If bins are left on the curb other than during these specified times, the owner of the bins may receive a warning notice from the City of Charlotte for the first offense. If the violation continues, the City of Charlotte may assess a fine of \$150.00. Also, the Association may assess a fine for each violation after notice and a hearing as noted in Section H. of this document.
3. Effective July 5, 2021, yard waste such as grass trimmings, leaves, shrub trimmings, twigs, discarded plants etc. may no longer be placed on the curb in plastic bags for City pickup. Instead, this must be placed on the curb in compostable paper bags weighing no more than 75 pounds or in reusable containers no larger than 32 gallons. This pickup is done on the scheduled garbage collection day.
4. The City of Charlotte does not collect cardboard boxes, wood, metal, or other large items that do not fit in Garbage Bins or Recycle Bins as part of regular collection. Any items not eligible for collection must be kept stored from public view inside until the Owner or Member schedules a special collection with the City of Charlotte by calling 311. Once special collection is scheduled, Owners or Members may place the items at the curb for collection on the scheduled date. Owners and Members must adhere to Rule #2 above with respect to the placement and removal of items.
5. No Lot shall be used or maintained as a collection or dumping ground for rubbish.
6. No trash, garbage or other waste may be placed within the Common Area, except in containers or areas approved by the Board.
7. Please refer to the City of Charlotte’s website for additional information: <https://charlottenc.gov>

F. INSURANCE -- HO3 POLICY

1. Each Owner shall secure and maintain in full force and effect, at such Owner’s expense, one or more insurance policies insuring Owner’s Lot and the improvements thereon for the full replacement value thereof against loss or damage from all hazards and risks normally covered by a standard “Extended Coverage” insurance policy, including fire and lightning, vandalism and malicious mischief.
2. Each Owner, at such Owner’s expense, shall secure and maintain in full force and effect a policy of comprehensive personal liability insurance for damage to the person or property of others occurring

on Owner's Lot in an amount of not less than One Hundred Thousand Dollars (\$100,000.00) for each occurrence naming the Association as an additional insured.

3. Each Owner shall provide the Association with satisfactory evidence that such insurance as herein required is in full force and effect and the Association will be given thirty (30) days notice prior to the expiration or cancellation of any Owner's insurance coverage. An example of such evidence is a copy of the initial HO3 policy and thereafter a copy of each annual renewal submitted to the management company.
4. In the event Owner fails or refuses to maintain such insurance coverage as herein required, the Association may, but shall not be obligated to, through its agent or representatives, secure and maintain such insurance coverage for Owner's benefit, and the cost or expense thereof shall be deemed a special assessment levied by the Association against Owner and Owner's Lot, in accordance with the other provisions of the Association's Covenants, Conditions and Restrictions, and Owner covenants and agrees to pay to the Association such special assessment upon demand.
5. The HO3 policy will not adequately cover a rented or vacant unit, and Owners must contact their insurance carrier to secure appropriate coverage. Policies covering Owner's Lot and the improvements thereon for the full replacement value thereof against loss or damage as noted above must be in full force and effect at Owner's expense.

G. INTERIOR MAINTENANCE

Owners shall maintain, repair and replace, at their expense, all interior portions of the improvements on his or her Lot which shall need repair, including patios, fencing and decks located on the Lot, if any, and all bathroom and kitchen fixtures, light fixtures or other electrical or plumbing equipment, pipes and fittings serving an Owner's unit which are located in a party wall, if any. Further, each Owner shall repair, maintain or replace if necessary, at his or her own expense, the heating and air conditioning system serving his or her dwelling.

H. FEES AND FINES

The Association assesses fees and fines in compliance with the North Carolina Planned Community Act. See the following attached documents:

Administrative Resolution #1: Delinquency Policy

Policy Resolution #2 Relating to Violation Processing and Fines

I. SATELLITE DISH GUIDELINES

The Board of Directors of the Association has established the following preferences pursuant to the Federal Communication Commission's requirements to govern the location of satellite dishes within the Association:

1. No satellite dish, cabling, or installation equipment ("Satellite Equipment") may be installed on the Common Area without approval of the board of directors, which approval or denial is within the board of director's sole discretion.
2. For safety reasons no Satellite Equipment may be installed within two (2) feet of any power line or electrified line located above or below ground on the Common Area.
3. For safety reasons no Satellite Equipment may be installed within two (2) feet of any other utility line including, but not limited to, water, sewer, TV cable, and gas lines on the Common Area.
4. The preference for location of all Satellite Equipment is on the ground behind the home in a location least visible from any parking areas and streets. In the event an acceptable signal cannot be received in this preferred area the secondary preference is for the dish to be located on the exterior building surface of the rear of the home. In the event an acceptable signal cannot be received in this secondary

preference area the third preference area is on the rear ten (10) feet of the side building surface nearest to the rear building line as possible to receive an acceptable signal.

5. Satellite Equipment shall have a mast only as high as reasonably necessary to receive an acceptable signal from a preferred location.
6. If the Satellite Equipment must be placed in a location on a lot for which the Association has a maintenance responsibility in order to receive an acceptable signal the owner agrees to release and hold the Association harmless from any damage to the exterior of the property and for any damage caused to the interior of the property resulting from the installation or existence of the Satellite Equipment. The Association may require a written agreement in recordable form to give further affect to this provision.
7. All cables must be substantially the same color as any building surface for which they have to be connected.

It is strongly recommended that all owners submit to the Association the proposed location for installation of Satellite Equipment prior to installation to confirm there are no safety concerns as noted above and to confirm recognition of these preferences adopted by the Association pursuant to the Federal Communications Commission. Failing to provide this information to the Association prior to installation may result in being required to remove and re-install the Satellite Equipment at the owner's cost.

J. YARD SALES

Yard sales are not permitted on Common Area.

K. MAILBOX MAINTENANCE

Owners shall maintain, repair or replace, at their expense, all mailbox locks and doors on individual mailboxes. Owners shall also be responsible for mailbox doors being locked. An open mailbox door is an invitation for vandalism.

Sardis Forest Patio Homes Association, Inc.
Administrative Resolution #1: Delinquency Policy

Adopted by the Board of Directors on October 5, 2015
Amended November 16, 2021
Amended June 18, 2022

WHEREAS, Article V Sardis Forest Patio Homes Association, Inc. Declaration of Covenants, Conditions, and Restrictions grants the authority to the Board of Directors to establish late charges to defray the cost of late payment and to record a lien against any lot (“home”) to secure payment of assessments that remain unpaid. Because the Association’s economic well-being relies on the timely payment of assessments and other allowable charges, it is the Board's duty to use its best efforts to collect funds owed to the Association.

NOW, THEREFORE, BE IT RESOLVED THAT these collection procedures shall be followed:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, rules enforcement fees, late fees, repairs to the common area that are an owner’s responsibility, legal fees and other costs associated with the collection of funds on behalf of the Association.

2. PAYMENT SCHEDULE. The regular assessment for homes is due on the 1st of each month. Assessments not received within 30 days of the due date will be considered past due.

3. NSF & INTEREST CHARGES.

- A late fee of \$20.00 per month that the account remains delinquent.
- A \$25.00 NSF (Non-Sufficient Funds) charge will apply to any returned check.

4. ORDER OF CREDITING PAYMENTS. Payments received shall first be applied to violation fines and late penalties, then to collection expenses, and then to assessments owed.

5. PROCESS FOR DELINQUENCY NOTIFICATION. For all balances that are not received by the due date, the following notification process applies:

- **15 DAY DEMAND:** A 15 Day Demand for Payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent by First Class Mail to an owner forty-five (45) days following the due date. This Notice will recite intent to turn the matter over to an attorney for collection enforcement if the balance is not paid within fifteen (15) days. Attorney actions include, but are not limited to, filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.
- **LIEN AND FORECLOSURE:** If the balance is not paid in full within (90) days, the delinquent account will be forwarded to the Association’s attorney for lien filing and collection action. HOA Foreclosure action will only be initiated with a majority approval and signature of the Board of Directors.

6. PAYMENT PLANS: Payment plan proposals made by written request to the Board of Directors, attorney or management company will be reviewed for approval by the Board of Directors.

If a delinquent account is referred to an attorney for collection, the owner shall be charged the Association's reasonable attorney fees and related collection costs in accordance with the Declaration of Covenants, Conditions and Restrictions. Once an account is sent to an attorney for collection, the entire unpaid balance due shall be accelerated and declared immediately due and payable.

/s/ Bill Helms
President, Board of Directors

June 18, 2022
Date

/s/ Karen A. Gorski
Secretary, Board of Directors

June 18, 2022
Date

SIGNATURES ON FILE

Sardis Forest Patio Homes Association, Inc.
Policy Resolution #2: Policy Resolution Relating to Violation Processing and Fines

Adopted by the Board of Directors on November 20, 2015
Amended November 16, 2021

WHEREAS, the Sardis Forest Patio Homes Association, Inc. (“Association”) is empowered to exercise all of the powers, duties and authority vested in or delegated to this Association by provisions of the Bylaws, Articles of Incorporation, the Declaration of Covenants, Conditions and Restrictions, and other state and federal laws.

WHEREAS, Article XIV of the Sardis Forest Patio Homes Association, Inc. Declaration of Covenants, Conditions, and Restrictions states that the Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges.

WHEREAS, Article 47F-3-102 Section 12 of the North Carolina Planned Community Act and North Carolina House Bill 1541 state that the Association may impose reasonable fines or suspend privileges or suspend services provided by the Association for reasonable periods for violations of the Declaration of Covenants, Conditions & Restrictions, Bylaws, Architectural Guidelines, and landscape and other rules of the Association.

WHEREAS, Paragraph 1 of the Declaration of the Covenants, Conditions, and Restrictions states that each Lot is subject to the General Use Restrictions.

WHEREAS, Article VI of the Declaration of Covenants, Conditions and Restrictions states that the Architectural Control Committee or the Board of Directors must approve all exterior changes to all Lots and that there are Architectural Guidelines that all Lots must comply with.

WHEREAS, Article V, Section 2, of the Sardis Forest Patio Homes Association, Inc. Bylaws states that the business and affairs of the Association shall be managed by its Board of Directors.

WHEREAS, there is a need for the Board of Directors to give direction regarding the process associated with the enforcement of the Declaration of Covenants, Conditions and Restrictions, Bylaws, Architectural Guidelines, and landscape and other rules of the Association, and the action of imposing fines against Lots that are in violation of each.

WHEREAS, it is the intent that this policy be applicable for the processing of violations of the Declaration of Covenants, Conditions and Restrictions, Bylaws, Architectural Guidelines, and landscape and other rules of the Association and the imposing of fines against Owners of Lots that are in violation. This resolution will be in effect from the date listed above until it is rescinded, modified or amended by a majority of the Board of Directors.

NOW THEREFORE, BE IT RESOLVED THAT the following policy shall be adopted by the Board of Directors regarding the process of enforcement of the Declaration of Covenants, Conditions and Restrictions, Bylaws, Architectural Guidelines, and landscape and other rules of the Association.

1. Any Owner of a Lot that is in violation of the Declaration of Covenants, Conditions and Restrictions, Bylaws, Architectural Guidelines, or landscape or other rules of the Association shall be issued a violation notice by the Association’s Management Company, Architectural Control Committee, or a Rules Committee of the Association. The notice will identify the nature of the violation and specific provision of the Declaration of Covenants, Conditions and Restrictions, Bylaws, or Rules and Regulations that the offending activity violates.
2. For all violations, the Owner will be mailed a Friendly Reminder Notice indicating a specified number of calendar days to correct the violation. After the specified numbers of days have elapsed, a re-inspection of the Lot will be performed by the Association’s Management Company, Architectural Control Committee, or a Rules Committee of the Association to determine if the violation has been corrected.

3. If the violation has not been corrected, the Board of Directors, its Attorney or Management Company, Architectural Control Committee or Rules Committee shall issue the Owner a Final Notice of Violation, indicating a specified number of calendar days to correct the violation. After the specified numbers of days have elapsed, a re-inspection of the Lot will be performed by the Association's Management Company, Architectural Control Committee, or a Rules Committee of the Association to determine if the violation has been corrected.
4. If the violation has not been corrected, the Board of Directors, its Attorney or Management Company, Architectural Control Committee or Rules Committee shall issue the Owner a hearing notice to appear before the Board of Directors, Architectural Control Committee or Rules Committee ("Hearing Panel") to discuss the violation and offer any explanation or evidence regarding the alleged violation.
5. Other violations immediately trigger a hearing notice to the Owner, in which case the violation notice also serves as the hearing notice.
6. The hearing notice to the Owner will be postmarked at least 10 calendar days prior to the hearing date and mailed via regular and/or certified mail. The hearing notice will specify (1) the violation, (2) the specific provision of the Declaration of Covenants, Conditions and Restrictions, Bylaws, or Rules and Regulations the offending activity violates, (3) the date, time and location of the hearing and (4) the requirement that if the Owner intends to bring a third party representative to the hearing, the Owner must notify the chairman of the Hearing Panel of that fact at least two days prior to the scheduled hearing date.
7. In lieu of attending the hearing the Owner may, no later than 2 days prior to the hearing date, submit written information to the chairman of the Hearing Panel or Management Company to be considered by the Hearing Panel at the scheduled hearing. If the Owner fails to appear at the scheduled hearing and provides no written information by this deadline, the Hearing Panel will rule on the matter based solely on information provided by the Association's Management Company, Architectural Control Committee, or a Rules Committee of the Association.
8. At the hearing, the Owner will be given up to 10 minutes to present his/her position to the Hearing Panel. Up to 10 additional minutes will be allowed for Hearing Panel members to ask questions of the Owner. A member of the Hearing Panel will monitor and enforce these time limits. At the conclusion of the hearing, the Hearing Panel members will reconvene and decide by a majority vote of its members in attendance as to whether the Owner of the Lot is in violation and, if in violation, levy the appropriate fines.
9. The Board of Directors, the Association's Attorney or Management Company, Architectural Control Committee or Rules Committee shall send a written notice to the Owner communicating the results of the hearing.
10. Fines will be levied according to the Violation Fine Schedule listed as Exhibit A to this Policy Resolution. Fines will begin to accrue within a specified time frame from the date of the written notice communicating the results of the hearing to the Owner. The Owner may avoid the daily fine if 1) the violation is corrected and the Hearing Panel Chairman receives written notification from the Owner of that fact within the designated time frame and 2) correction of the violation is subsequently verified by the Association's Management Company, Architectural Control Committee, or Rules Committee of the Association. However, even if the violation is corrected within the time frame, the Hearing Panel may still impose the initial fine for the violation.
11. Fines will accrue according to the Violation Fine Schedule until (1) the violation is corrected, (2) the Owner notifies the chairman of the Hearing Panel in writing of the correction and (3) the Association's Management Company, Architectural Control Committee, or a Rules Committee of the Association verifies the violation has been remedied. Once verified, fines will be terminated effective with the received date of the Owner's letter notifying the chairman of the Hearing Committee the violation has been remedied.
12. Under North Carolina law, violation fines become an assessment. Failure by the Owner to pay fines will be handled according to section NCGS 47F-3-107 of the North Carolina Planned Community Act which governs unpaid assessments. A lien may be filed securing payment of past due fines and the lien may be ultimately foreclosed.

- 13. If the Owner engages the services of an attorney to represent him/her at the violation hearing and/or subsequently as part of this violation fine process, and as a result the Hearing Panel deems it is in the best interest of the Association to refer the matter to its Attorney, if the Hearing Panel finds the Owner in violation, any attorney fees incurred by the Association will be charged to the Owner.
- 14. The Board of Directors, at its discretion, has the right to modify this process in response to circumstances affecting the Owner or Hearing Panel.

/s/ Bill Helms
President, Board of Directors

November 16, 2021
Date

/s/ Karen A. Gorski
Secretary, Board of Directors

November 16, 2021
Date

SIGNATURES ON FILE

SARDIS FOREST PATIO HOMES ASSOCIATION, INC.
EXHIBIT A
SCHEDULE OF FINES

Violation	Initial Fine Amount	Subsequent Fine Amount	Fine Frequency
Architectural Violations (Unapproved ARC Change or Failure to submit a request for ARC Change)	\$50.00	\$50.00	Per Week
Nuisance Violations	\$50.00	\$50.00	Per occurrence/week
Garbage/Recycle Receptacles with no unit number and all receptacles left on the curb other than during the times specified in the Rules and Regulations	\$50.00	\$50.00	Per occurrence
Unapproved use of common area	\$50.00	\$50.00	Per occurrence/week
Satellite Dish Violations	\$50.00	\$50.00	Per week
Sign violations (contractor signs after work is completed, For Sale or For Rent signs other than as specified in the Rules and Regulations)	\$50.00	\$50.00	Per occurrence/week
Improper storage	\$50.00	\$50.00	Per occurrence/week
Improper vehicle in parking lot (i.e., trailer, RV, motorcycle)	\$50.00	\$50.00	Per occurrence/week
Animal violations including improper pet enclosures, pets with no leashes and owner's failure to pick up feces on the common property and on the owner's patio and courtyard	\$50.00	\$50.00	Per occurrence/day
Parking violations	\$50.00	\$50.00	Per occurrence/week
Failure to submit Proof of Insurance	\$50.00	\$50.00	Per week
Exterior Maintenance/Unkempt Appearance (i.e. needed fence repairs or replacements, overgrown landscaping or tall weeds in the patio/courtyard area)	\$50.00	\$50.00	Per occurrence/week