



SECOND AMENDED AND RESTATED DECLARATION OF RESTRICTIONS

MILL RIDGE DEVELOPMENT

NORTH CAROLINA

WATAUGA COUNTY

THIS SECOND AMENDED AND RESTATED DECLARATION OF RESTRICTIONS, duly adopted by the requisite majority of property owners at Mill Ridge Development as certified below, is made with an effective date of November 9th, 2016, by the Mill Ridge Property Owners Association, Inc., a North Carolina nonprofit corporation of Watauga County, NC, herein referred to as the "Association".

BACKGROUND STATEMENT:

WHEREAS, Mill Ridge is a planned community created by the following series of Declarations of Restrictions and the Declaration of Condominium for Mill Ridge Condominium (jointly referred to herein as the "Declarations"): For Section One, that certain Declaration dated June 16, 1971 and recorded in Deed Book 121 at Page 255 of the Watauga County, North Carolina Registry (the "Registry"); for Section Two, that certain Declaration dated June 16, 1971 and recorded in Deed Book 121 at Page 265 of the Registry; for Section Three, that certain Declaration dated July 11, 1972 and recorded in Deed Book 130 at Page 798 of the Registry; for Section Four, that certain Declaration dated November 29, 1982 and recorded in deed Book 250 at Page 163 of the Registry; for the Condominium, that certain Declaration of Condominium of Mill Ridge Condominium dated April 16, 1976 and recorded in Deed Book 162 at Page 88 and Condominium Plat Book 2 at Page 16 of the Registry, and as thereafter amended by instrument recorded in Deed Book 179 at Page 582; and

WHEREAS, the State of North Carolina, effective as of January 1, 1999, enacted Chapter 47F of the General Statutes of North Carolina entitled the "North Carolina Planned Community Act" and referred to throughout this instrument as the "Act"; and

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WHEREAS, the Act provides that a planned community created prior to January 1, 1999 may elect to make the provisions of Chapter 47F of the General Statutes of North Carolina applicable to it by amending its declaration to provide that Chapter 47F of the General Statutes of North Carolina shall apply to that planned community; and

WHEREAS, at the annual meeting of the Association held on September 12, 2004, the Association considered, and thereafter approved, by the affirmative vote of more than sixty-seven percent (67%) of the votes allocated within the Association among the property owners of Lots and Units (the "Owners") within Mill Ridge, adopting the Act to make it fully applicable to Mill Ridge; and

WHEREAS, at the 2004 annual meeting, the membership of the Association also considered and thereafter approved, by an affirmative of more than sixty-seven percent (67%) of the votes allocated within the Association, both a motion to amend and consolidate the Declarations and also to confirm in a restated and consolidated Declaration (referred to herein as the "Amended and Restated Declaration"), the membership's adoption of Chapter 47F of the General Statutes of North Carolina so that its provisions are fully applicable to the planned community of Mill Ridge; and

WHEREAS, the Amended and Restated Declaration approved following the 2004 annual meeting was recorded in the Book of Records 1032 at Page 670, and its effective date of adoption was corrected by instrument recorded in Book of Records 1039 at Page 464, of the Watauga County Registry; and

WHEREAS the Owners desire, for the use and benefit of themselves and their heirs, successors and assigns, to provide for the preservation of values, and the desirability and attractiveness of the real property; and, among other things, for the maintenance and operation of the private roads, the recreational amenities, and the community water and sewage treatment systems within the development; and

WHEREAS, the property owners of Mill Ridge, individually and acting through their Association, deem it desirable for, among other things, the efficient preservation of the values and the maintenance and operation of the private roads and the community water and sewer systems in Mill Ridge, that certain covenants, conditions, easements, assessments, liens and restrictions governing the use and occupancy of Lots and Units within the Mill Ridge Development be continued, as amended, as covenants running with the land; with the Association now designated as the agency to which the original Declarant and the property owners have delegated the powers and duties of maintaining the roads and common areas, providing security, enforcing the covenants and restrictions, and collecting and disbursing assessments; and

WHEREAS, at the March 19th, 2016 Board of Directors meeting and at the September 11, 2016 membership meeting of the Association, certain technical corrections and amendments to the Amended and Restated Declaration were presented, and thereafter approved, by an affirmative vote of more than sixty-seven percent (67%) of the votes allocated within the Association from members in good standing.

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NOW, THEREFORE, in consideration of the premises, the Association for itself, its successors and assigns, and for its future grantees, their heirs, successors and assigns, has duly adopted this Second Amended and Restated Declaration of Restrictions for Mill Ridge Development, the following amendments to the Declarations:

1. CONSOLIDATION OF DECLARATIONS:

The Declarations for Sections One through Four of Mill Ridge, and each of them, have previously been consolidated into the Amended and Restated Declaration of Restrictions applicable to all residential Lots, and, on a supplemental basis, to the Condominium, its individual condominium units and their common elements, as well as any other existing multi-family properties located within the Mill Ridge Subdivision. This instrument further amends and restates the (Amended and Restated) Declaration of Restrictions recorded in the Book of Records 1032 at Page 670 and re-recorded in Book of Records 1039 at Page 464 of the Watauga County Registry.

2. OPT-IN UNDER N.C. PLANNED COMMUNITY ACT:

Pursuant to the provisions of Chapter 47F of the General Statutes of North Carolina, the Association has previously voted by the affirmative vote of more than sixty-seven percent (67) % of the property owners in good standing of lots and units within Mill Ridge, to adopt the Act codified as Chapter 47F of the General Statutes of North Carolina as fully applicable to the planned community of Mill Ridge and its Association.

3. ADDITIONAL DEFINITIONS:

(a) "Association" shall mean and refer to Mill Ridge Property Owners' Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

(b) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot or Unit made a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(c) "Properties" shall mean and refer to the residential Properties (Lots or Units) that are now or may hereafter be made subject to this Declaration and brought within the jurisdiction of the Association.

(d) "Common Areas" shall mean and refer to all real property (including the improvements thereto) owned by the Association or containing well sites, pump houses or other equipment for the private community water/waste disposal system maintained by the Association, all platted roadways within the Mill Ridge development; and, for purposes of use restrictions contained within this Declaration, any common elements of condominiums within the Properties.

(e) "Improved Lot" shall mean a Lot containing an approved dwelling unit.

(f) "Lot" shall mean and refer to any lettered or numbered plot of land, with delineated boundary lines, designated for single-family detached residences and shown upon any recorded subdivision map of the Properties with the exception of the common areas.

(g) "Unit" shall mean and refer to any condominium or town home residential unit created pursuant to the above-referenced Mill Ridge Declaration of Condominium or any other future multi-family use Declaration within Mill Ridge. Units, as defined herein, shall continue to be subject to all the terms and provisions of their relevant Declaration of Condominium as well as to this Declaration, and any such multi-family declaration shall remain distinct from, and complementary to, this Declaration. For purposes of voting and other membership rights within the Association, however, the rights of each Unit Owner shall be identical to the rights of each Improved Lot owner except as to the use restrictions applicable only to Lot Owners.

(h) "Member" shall mean and refer to every person or entity that holds membership with voting rights in the Association by virtue of owning one or more Lots or Units.

(i) "Declarant" shall mean and refer to the Association, its successors and assigns.

(j) "Lodge" shall mean and refer to the one-acre tract, as shown and described on plat recorded in Plat Book 14 at Page 193 of the Watauga County Registry, containing a nine bedroom facility constructed within the former Mill Ridge ski lodge facility and established primarily for short-term vacation rental occupancy by visitors to Mill Ridge. For purposes of this Declaration, the "Lodge" shall be considered the equivalent of an Improved Lot as a single family unit. If, however, the Lodge is hereafter modified so that the relevant county zoning ordinances and state fire code are satisfied so as to permit multi-family, short-term occupancy of the Lodge as a duplex, then for purposes of this Declaration, including voting rights and assessment liability, the Lodge shall thereupon be considered the equivalent of two (2) Units.

4. PURPOSES OF ASSOCIATION:

The purposes and/or powers of the Association are:

(a) To provide for its Members, to the best of its ability, quality living in a resort community, at a reasonable cost, and that is compatible with the environment.

(b) To acquire, build, maintain and operate recreational grounds, hiking trails, green areas, footpaths, trails, roads, streets and sidewalks, tennis courts, and swimming pools, a clubhouse, an Association office, and other amenities for the use and enjoyment of the Members, within the boundaries of the Mill Ridge subdivision, Watauga County, North Carolina.

(c) To acquire, own, build, maintain, and operate water and waste disposal systems for the primary use and benefit of this Association. In the operation of its water and waste disposal systems, the Association by and through its Board of Directors, shall have the right and authority to do each and every act and thing deemed necessary, requisite, or desirable in the operation and maintenance of said systems, including the full authority to contract with agencies of the State of North Carolina and to assess an initial fee for allowing an Owner to tap into the community

water system, to be due and payable upon commencement of construction of an Owner's residence. The amount of the "tap-on" fee shall be uniform, but may be changed at any annual meeting of the Association, by majority vote of those present or voting by proxy.

(d) To provide a system for the collection and disposal of garbage, trash, and certain recyclable materials.

(e) To purchase, receive, lease, rent, manage, take by gift, devise, bequest or otherwise, or to acquire, hold, improve, subdivide, use, grant easements within the common areas, and otherwise deal in and with real or personal property or any interest therein situated in Mill Ridge.

(f) To enforce the use restrictions and other provisions of this Declaration.

(g) In order for the Association to promulgate, conduct and carry on its purposes, said Association shall have full authority through its Board of Directors, as delineated more fully in the Act, to determine and fix assessments, dues or charges, including both late fees on any account not paid in full within thirty (30) days from the date first due and payable, and also interest accruing at eighteen percent (18%) per annum (1.5% per month, not compounded) or the highest rate permissible under the Act or other applicable law, to be levied against members of the Association on a uniform basis per category of Lot or Unit; and to take all actions reasonable required to collect such charges, dues and assessments when due. These charges, together with any applicable late fees, interest, and attorney's fees and court costs shall become a lien against the Lot or Unit in the Mill Ridge Subdivision belonging to such delinquent Member, and said lien shall attach to the Lot or Unit of the delinquent Member when notice of such delinquency and notice of lien is filed in the Office of the Clerk of Superior Court of Watauga County, North Carolina.

(h) To do and perform any other thing, and to engage in any and all kinds and types of activities which may be legally done and performed by this Association, under the Act, the North Carolina Nonprofit Corporation Act, and other applicable laws, to promote the health, safety and welfare of its Members; provided, however, this Association shall exercise all such powers in furtherance of the exempt purposes of the kind and types of organization set forth in Section 528 or Section 501 of the Internal Revenue Code of 1954, as amended, and the regulation promulgated pursuant thereto, and provided further, that this Association in not organized for pecuniary profits, directly or indirectly, to its members; nor shall it have capital stock or any power to issue stocks, or to declare or pay dividends, and no part of the net profits of this Association, if it has profits; shall inure to the benefit of any of its members. The Association may, however, pay reasonable compensation to its members, directors or officers for services rendered and performed to this Association beyond the regular board of directors' or officers' duties as unpaid volunteers.

5. ASSOCIATION MEMBERSHIP STRUCTURE AND VOTING ASSESSMENT ALLOCATIONS:

The Association has been formed with one (1) membership per property Owner, whether of a Lot or a Unit, but with greater voting rights and assessment liability to each Improved Lot and to

each Unit and with reduced voting rights and assessment liability allocated to the Owners of unimproved Lots, all in consideration of the greater services received and greater intensity of use of roads and other facilities made by Owners of Units and Improved Lots than by Owners of unimproved Lots. The allocation of voting rights allocated to each Improved Lot and Unit shall be roughly proportional to the amount by which the Improved Lot and Unit assessment exceeds the assessment levied upon unimproved Lots. Initially, each Improved Lot shall be allocated three (3) votes, the "Lodge", if defined herein as a multifamily dwelling, shall be allocated six (6) votes, and each unimproved Lot shall be allocated one vote. Based upon the projected benefits to Improved Lot and Unit Owners, the Association membership may choose to revise the foregoing voting and assessment allocations by the majority affirmative vote of the Members constituting a quorum at any duly noticed meeting of the Membership. The Association shall establish reasonable annual assessments to cover the costs of residential water supply and sewage treatment service (per Improved Lot or Unit), road maintenance, non-condominium, common areas maintenance, maintenance of the trails and recreational areas, insurance premiums, personnel expenses, administrative costs, professional fees, and the other services, programs, and obligations of the Association. In addition to the regular annual assessments, the Association is further authorized to levy and collect special assessments to fund:

(a) The portion of major road re-paving or repair projects for which the Association's capital reserves and current operating revenues are inadequate.

(b) Special projects, approved by the Members.

(c) With Board approval, major emergency repairs from damages caused by an Act of God or other unforeseen contingencies.

Special assessments levied pursuant to subsection (a) or (b) of this section shall be subject to the ratification by the Members voting at the annual meeting, of any annual budget containing such annual and special assessments.

6. USE RESTRICTIONS APPLICABLE ONLY TO LOTS:

(a) No permanent or temporary building, fence, sidewalk, wall, drive, or other structure shall be erected, placed, or altered on any Lot until the proposed building plans, specifications, exterior color or finish, plot plans (showing all areas), landscaping plans, and construction schedule shall have been submitted and approved in writing by the Association, its successors and assigns. The decision by the Board of Directors or its assigns shall be made within 30 days of receiving a complete application package in compliance with the requirements of the Architectural Review Guidelines then in effect. The Board of Directors of the Association, or its Architectural Review Committee, may refuse approval of plans, location, or specifications based upon any ground, including purely aesthetic considerations, at the discretion of the Association. The Association will allow a single appeal, within one year, for reconsideration. No alterations may be made in such plans after approval by the Association is given except by and with the written consent of the Association. No alterations in the exterior appearance of any building or structure shall be made without like approval by the Association. One copy of all plans, specifications and related data shall be submitted to the Association for its permanent records. Failure to do so may result in an action for injunctive relief, a fine, and/or suspension of membership privileges as specified in the

Act. The Association, through either its board of directors or its Architectural Review Committee, shall be entitled and authorized to charge a construction security deposit, in an amount to be established and reviewed by the Board at appropriate intervals, to any Owner desiring to construct a new residence or addition on any Lot as a pre-condition to granting approval for any construction project and as a safeguard to the Association and its members against any violations of architectural review standards, the use restrictions of this Declaration, or the approved plans and specifications for the relevant Owner's construction project. The amount of this deposit, and the rules governing its use, forfeiture, or return in whole or part shall be specified in the Architectural Review Guidelines established by the Board or its Architectural Review Committee and in effect at the time of the relevant Owner's submission of a completed application to the Architectural Review Committee.

(b) In order to assure that buildings will be located with regard to the topography of each individual Lot, the Association, reserves unto itself, its successors and assigns, including, but limited to, its Architectural Review Committee, the right to control absolutely and solely to decide the precise site and location of any houses, additions, or dwelling or any other structure upon any Lot or upon any building plot consisting of more than one Lot, provided, however, that such location shall be determined only after reasonable opportunity is afforded the Lot Owner to recommend a specific site. A ten (10) foot set back from the property line in front and rear and six (6) feet on sides is required for all structures, temporary or permanent, with all structures approved or built prior to the adoption of this set-back standard to be grand fathered. The POA must be provided with a registered surveyor's map indicating the proposed location of the structure(s) at the time plans are submitted, which location must be verified by the POA or its assignee at the time the footings or foundation are constructed. If the POA determines that the as-built foundations or footings deviate from the location(s) specified on the approved site plan, it may require the non-conforming improvements either to be removed or for the Owner to submit a modified plan for approval.

(c) Following the installation of water mains and sewer outflow lines at residential construction sites, the Owner(s) or contractor shall not backfill until the installation has been inspected, approved, and accepted by the Association's Resident Manager or other designated agent; furthermore, the Owner(s) or contractor shall not be permitted to tie any water or sewer line into the respective water or sewer system of the Association until such installation has been inspected, approved, and accepted as herein before provided. When water mains and sewer outflow lines have been installed, approved, and accepted by the Association or its assignee and connected to the water or sewer system of the association, title to said line or lines shall then immediately be vested to the Association, with the understanding that repairs to the individual water and/or sewer lines on the property of the Owner that connect to the main water and/or sewer lines shall be the Owner's responsibility, and repairs involving the Mill Ridge water and sewer mains shall be the responsibility of the POA, its successors and/or assigns as the operators of these systems.

(d) The exterior of all houses and other structures must be completed within one year after the construction of same shall have commenced, except where such completion is impossible or would result in extreme hardship to the Owner(s) or builder due to strikes, fires, national emergencies, or natural calamities including severe weather. All exceptions must be approved by the Association.

(e) No structure of a temporary character shall be placed upon any Lot at any time. However this prohibition shall not apply to shelters used by the Owner or contractor during the construction of the main dwelling. It must be clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the Lot after completion of construction.

(f) There shall be no fencing in the front yard of a lot without special permission from the Architectural Committee.

(g) All single-family residential Lots and all Units shall be used for residential purposes exclusively. No structure that requires public access, except as hereinafter provided, shall be erected, altered, placed, or permitted to remain on any Lot other than one (1) detached single family dwelling not to exceed two (2) stories in height above basement and one small one-story accessory building which may include a detached private garage, provided the use of such dwelling or accessory building does not include any activity normally associated with a business requiring public access. A home office without commercial signage and not generating retail or commercial traffic is permissible. Any accessory building must conform substantially to the style and exterior finish of the main dwelling.

(h) It shall be the responsibility of each Lot's Owner(s) to prevent the development of any unclean, unsightly, or unkempt conditions of buildings or grounds on that Owner's Lots, which shall decrease the beauty of the neighborhood as a whole or the specific area. The Association or its assignee must approve any painting or repainting of the exterior of a house.

(i) In the event the Owner(s) of any developed Lot permits any underbrush or weeds to grow to a height greater than two (2) feet, the Owner will be contacted. If the Owner(s) fails to have the premises cut within fourteen (14) days after being notified, agents of the Association may enter upon said land to remove the same at the expense of the owner(s) and charged currently acceptable fees for doing so. The agent of the Association may likewise enter upon said Lot to remove anything judged to be trash by the Association or its assignee. Such entrance and removal shall not be deemed a trespass and shall be at the expense of the Owner of said Lot. This provision shall not be construed as an obligation on the part of the Association to provide a system of garbage or trash removal services.

(j) The Association reserves unto itself, its successors and assigns, a perpetual, inalienable, and releasable easement over, upon, across, and under each Lot for the erection, maintenance, installation, and use of electrical and telephone poles, wires, cables, conduits, sewers, water mains, and other suitable equipment, for the conveyance and use of electricity, community television, telephone equipment, gas, sewer, water or other public convenience or utilities. The Association may cut drainage ways for surface water wherever and whenever such action may appear to the Association to be necessary in order to maintain reasonable standards of health, safety, and appearance. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery, make any grading of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance. Furthermore, it reserves the right to locate all wells, pumping stations, and tanks within residential areas on any walkway, or any residential Lot with the permission of

the owner(s). Such rights may be exercised by any licensee of the Association, but this reservation shall not be considered an obligation of the Association to provide or maintain any such utility or service. The Association guarantees that in exercising the rights of this easement that no water, sewer, or power lines shall be located in an area more than six (6) feet from the property line in the front and back and four (4) feet on the sides, except to service the premises. No individual wells or septic systems are permitted in the Mill Ridge sub-division.

(k) No mobile home or unapproved modular home shall be parked or installed on any Lot.

(l) Fuel tanks or similar storage units must be shielded from public view.

(m) No trees measuring six (6) inches or more in diameter at four feet (4') above ground level may be removed or topped without the written approval of the Association or its subcommittee, unless either located within ten (10) feet of the main dwelling or accessory building or within ten (10) feet of the approved site for such building. No trees shall be removed from any Lot until the Owner(s) shall be ready to begin construction subsequent to having obtained all necessary permits from the Association.

6. INSURANCE:

Each Improved Lot Owner shall maintain hazard insurance with some reliable insurance company in an amount sufficient to rebuild or repair the living unit presently constructed thereon to its original condition in the event the said unit is damaged or destroyed by fire, earthquake, Act of God, the elements or any other cause; and by acceptance of a deed therefore each lot owner covenants and agrees that if said living unit is damaged or destroyed said insurance proceeds and/or other monies shall be used to rebuild, repair, or remove said dwelling as soon as is reasonably possible.

7. USE RESTRICTIONS APPLICABLE TO BOTH LOTS AND UNITS:

(a) No Lot or Unit shall be subdivided, or its boundary lines changed except with the written consent of the Association, acting through its board of directors.

(b) No signs; including "For Rent ", "For Sale", and other similar signs; shall be erected or maintained on any Lot or the common areas or Units of any condominium within the Properties except with the written permission of the Association or its assignee or except as may be required by legal proceedings.

(c) No noxious or offensive activity shall be carried out within any Lot, Unit, or common area within the Mill Ridge property nor shall anything be done in any of these areas reasonably tending to cause embarrassment, discomfort, annoyance, or nuisance to the neighborhood as judged by the Association Board Of Directors or their assignee. No plants, poultry, animals other than household pets or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owners thereof are permitted. Complaints should be recorded

on forms, which are available in the Association office. Complaints shall be investigated and violations addressed as is stated in the Bylaws.

(d) Excessive or loud noise generated by Owners, their guests, pets, stereos, or vehicles that unreasonably disturbs residents is unacceptable. Quiet time is from 11 PM to 6 AM. Violations may be reported to the Watauga County Sheriff's office at the discretion of the Association or its assignee.

(e) Animals:

i. No wild animals shall be kept within any household or Lot. Other than pet birds kept in cages indoors and pet fish kept in an aquarium, only domesticated cats and dogs may be maintained as household pets.

ii. Any such dogs and cats must not be allowed to roam. Dogs and cats must be kept indoors (or penned), or on a leash (or harness) at all times while not otherwise confined within the pet owner's premises. Dogs and cats must have current immunizations and an identifying collar or tag. Household pets such as cats and dogs must be limited to no more than two (2) per household.

iii. Any pet animal, that in the judgement of the Association's Board of Directors or the Watauga County Animal Control Department, has demonstrated a vicious propensity, or whose owner(s) have demonstrated a pattern of failing to keep their pet properly restrained, or whose pet is deemed to constitute a nuisance by creating excessive noise may be ordered removed from the Owner's household and from the Mill Ridge Community.

iv. Enforcement shall be as provided in the Planned Community Act.

(f) Vehicles:

i. Vehicle speed must not exceed the stated limits posted within the Development. The operation of unlicensed, motorized, recreational vehicles is prohibited. Unlicensed operators are not permitted to operate even with a licensed vehicle of any kind unless the holder of a lawful driving permit and accompanied by an authorized supervisory party in compliance with applicable motor vehicle laws.

ii. The use within Lots or Common Areas of the following types of vehicles is prohibited: all terrain, dirt bikes, snowmobiles, unlicensed mopeds, mini bikes or motor scooters. This prohibition will be enforced by the Mill Ridge Manager(s) with the assistance of the Watauga County Sheriff's Department, if necessary.

iii. Each Lot Owner must provide space for parking two (2) vehicles off the street prior to the occupancy of any dwelling constructed on said lot in accordance with reasonable standards established by the Association. Improved Lots designed with only one parking space due to topographical constraints and constructed before January 1, 2005 shall be grandfathered. Parking vehicles on any Mill Ridge road right of way is prohibited. All vehicles parked on Mill Ridge

property must display a Mill Ridge sticker or guest permit. Permanent stickers are available for Owners and long-term renters. Parking permits for vacation rentals must be displayed on the dashboard.

iv. All mobile units (other than automobiles, sports utility vehicles, and pick-up trucks), and specifically including; trailered boats, RVs, all-terrain vehicles, go-carts and camper trailers; must be parked or stored off the street and out of sight as much as possible.

v. Owners of motor vehicles remaining stationary in a location visible to the public for over thirty (30) days and appearing to be in violation of county requirements on abandoned vehicles will be notified. After thirty (30) days, the vehicle shall be considered abandoned. Such vehicles will be towed at the owner's expense.

8. RENTAL PROPERTY:

No more than two individuals unrelated by blood, marriage, or adoption may rent space in a single-family home or a Unit on a long term (4 months or longer) basis. For short-term rentals (i.e., < 4 months), no more than 5 individuals unrelated by blood, marriage, or adoption may rent space in a single-family home or Unit. For security purposes, all owner(s) who rent or lend their homes and where applicable, their rental agents, need to notify the Mill Ridge office advising them of when and to whom their house is being rented before occupancy has started. Owner(s), and where applicable, their rental agents, are responsible for their renters' compliance with all use restrictions of this Declaration, and with any rules or regulations promulgated pursuant to authority vested by the Declaration or the Act. Owner(s) or agents are responsible for informing renters of all such use restrictions

9. ENFORCEMENT OF RESTRICTIONS:

In the event of a violation or breach of any of these restrictions by any property Owner(s), or agent or tenant of such Owner(s), the Association, the Owners of Lots or Units in Mill Ridge, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel compliance to the terms hereof or to prevent the violation or breach in any event. In addition, the Association shall have the right, whenever there shall have been built, or begun to be built, on any lot in the subdivision any structure which is in violation of these restrictions, to enter upon the property where such violation exists, and summarily abate or remove the same at the expense of the owner(s), if after thirty (30) days written notice of such violation and it shall not have been corrected by the owner(s). Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any right, reservation, restriction, or condition contained in this Declaration of Restrictions, however long continued, shall not be deemed a waiver of the right to do so hereafter, as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. Any restrictions in this Declaration of Restrictions contained shall in no way affect any of the other restrictions, but they shall remain in full force and effect. All Owners shall be entitled to submit in writing any complaints to the Board of Directors of the Association for its full review and further appeal. To assure that a complaint is placed upon the Board of Director's agenda for review, any such complaints must be submitted in writing at least thirty (30) days prior to the scheduled meeting of the Board of Directors.

10. ADDITIONAL ENFORCEMENT PROVISIONS:

Both penalties for violations and enforcement mechanisms as to the provisions of this Declaration are further outlined in both the Act and the Association's Bylaws.

11. DURATION AND AMENDMENT PROVISION:

All covenants restrictions and affirmative obligations set forth in the Declaration shall run with the land and shall be binding on all parties and persons claiming under them for a period of twenty-five (25) years from November 9th, 2016 after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument describing changes, approved by affirmative vote of the property owners in good standing holding at least a sixty-seven percent (67%) majority of the votes then allocated within the Association, or in the case of an election to terminate the Declaration, at least eighty percent (80%), of the votes then allocated within the Association—has been recorded. Owners of record shall receive a minimum of thirty (30) days' notice calculated from date of dispatch and transmitted by first-class mail, email, or facsimile of any proposed amendments or revisions to the Declaration of Restrictions prior to the Association's holding any vote on any such amendments or revisions.

IN WITNESS WHEREOF, this Second Amended and Restated Declaration of Restrictions for Mill Ridge is executed by its undersigned officer with an effective date of November 9th, 2016 to certify and confirm the adoption of all of the foregoing amendments by the affirmative vote of the Owners in good standing of Lots and Units to which at least sixty-seven percent (67%) of the votes within the Association are allocated within Mill Ridge Property Owners' Association, Inc.

MILL RIDGE PROPERTY OWNERS' ASSOCIATION, INC.

By: James Baldauff
James Baldauff, President

STATE OF FLORIDA
VOLUSIA COUNTY

I, DIANA JONES, notary public, certify that JAMES BALDAUFF, personally came before me this day and acknowledged that he is President of Mill Ridge Property Owners Association, Inc., a North Carolina nonprofit corporation, and that he, as President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and official seal, this the 20th day of DECEMBER, 2016

[Signature] (SEAL)
Notary Public

