

BY-LAWS

OF

LEGRA'S RIVER COUNTRY PROPERTY OWNERS' ASSOCIATION

Article I

Name, Principal Office, and Definitions

Section 1. Name. The name of the Association shall be Legra's River Country Property Owners' Association, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. Principal Office. The principal office of the association in the State of Florida shall be located in Dade County. The Association may have such other offices, either within or outside Allegheny County, North Carolina or Dade County, Florida as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. Definitions. The words used in these By-Laws shall generally have their normal, commonly understood meanings. Capitalized terms shall be defined as set forth in the Declaration and on Exhibit "A" attached hereto and incorporated herein by this reference.

Article II

Association: Membership, Meetings, Quorum, Voting, Proxies

Section 1. Membership. Every Owner shall automatically be a Member of the Association. Membership shall not include Persons who hold security interest only and the giving of a security interest shall not terminate the Owner's membership. The Association shall have two classes of membership, Class "A" and Class "B," with voting rights as set forth in Section 8 of this Article. Class "A" Members shall be all Owners with the exception of the Class "B" Member, if any. The Class "B" Member shall be the Declarant. The Class "B" membership shall terminate upon the earlier of:

(a) two (2) years after expiration of the Class "B" Control Period pursuant to Article III of these By-Laws; or

(b) when, in its discretion, the Declarant so determines.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

Section 3. Annual Meetings. The annual meeting of the Association shall be held during the month of June each year on a date and at a time set by the Board of Directors. Upon adoption of

a resolution by the Board, the annual meeting may be changed to a month other than June, if deemed appropriate.

Section 4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least twenty-five percent (25%) of the total vote of the Association.

Section 5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail or telegram, to each Member entitled to vote at such meeting, not less than ten (10) days nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid. If sent by telegram, the notice of a meeting shall be deemed to be delivered when deposited with a telegraph office for transmission addressed to the Member at his address as it appears on the records of the Association, with charges prepaid.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless objection on the basis of lack of proper notice is raised before the business is put to a vote.

Section 7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called

may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that Members representing at least five (5%) percent of the total vote of the Association remain in attendance, and provided further that any action taken is approved by Members representing at least a majority of the votes required to constitute a quorum.

Section 8. Voting. Members shall be entitled to one equal vote for each Lot owned. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be cast as those Owners decide and instruct the Secretary prior to any meeting. If the Secretary is not instructed, the vote for that Lot shall be suspended if more than one Owner of the Lot attempts to cast it. Except as otherwise specially provided herein, on all matters requiring a vote of the Members, both Class "A" and Class "B" Members shall be entitled to one (1) equal vote for each Lot owned, which votes shall be cast without regard to class.

Section 9. Proxies. At all meetings of the Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member, or upon receipt of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

Section 10. Majority. As used in these By-Laws, the term "majority" shall mean more than fifty (50%) percent of the total number of votes, owners, or other group as the context may indicate.

Section 11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of the Members representing at least ten percent (10%) of the total vote of the Association shall constitute a quorum at all meetings of the Association.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all

transactions occurring at the meeting.

Article III
Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. Except as provided in Section 2 of this article, the directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner which is a corporation or partnership, the person designated in writing to the Secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a director.

Section 2. Directors During Class "B" Control Period. Subject to the provisions of Section 5 below, the directors shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member until the first to occur of the following:

(a) The date as of which all Lots are owned by Persons other than the class "B" Member, its affiliates, or builders holding title solely for purposes of development and sale; or

(b) The surrender by Class "B" Member in writing of the authority to appoint and remove directors and officers of the Association.

Section 3. Number of Directors. The number of directors in the Association shall be not less than three (3) nor more than five (5), as provided in Section 5 below; provided, however, upon resolution of the Board the number of directors may be increased or decreased.

Section 4. Nomination of Directors. Except with respect to directors selected by the Class "B" Member, nominations for election to the Board of Directors may be made by a nominating committee. If a nominating committee is established by the Board, it shall consist of a chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The nominating committee may make as many nominations for election to the Board of Directors as may in its discretion determine, but in no event less than the number of positions to be filled. Nominations for each slate shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 5. Election and Term of Office. At the first annual meeting of the Association following the date as of which all Lots are owned by Persons other than the Class "B" member, the Board shall be increased to five (5) directors and the Members in accordance with Section 8 of this Article shall elect all five (5) directors, as follows: The three (3) directors receiving the largest number of votes shall be elected for a term of two years and the remaining directors shall be elected for a term of one (1) year. Thereafter, upon the expiration of the term of office of each member of the Board of Directors, a successor shall be elected to serve for a term of two (2) years. The members of the Board of Directors shall hold office until their respective successors have been elected by the Association. At each election, the candidates(s) receiving the most votes shall be elected.

Section 6. Removal of Directors and Vacancies. Any director elected by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director. In the event that removal is proposed at a meeting of the Members, any director whose removal is sought shall be given notice prior to that meeting. A director who was elected solely by the votes of Class "A" Members may be removed from office prior to the expiration of his or her term only by the votes of a majority of the Class "A" Members. Upon removal of a director, a successor shall be elected by the members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings, or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days, or for any other reason specified by law, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor.

B. Meetings.

Section 7. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year

with at least one (1) per quarter. Notice of the time and place of the meeting shall be communicated to directors not less than (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice to holding of the meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by a majority of the directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (1) by personal delivery; (b) by written notice sent first class mail, postage prepaid; or (c) by telegram, charges prepaid. All such notices shall be sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into the United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery or telegraph shall be delivered or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 10. Waiver of Notice. The transactions of any meeting of the Board of Directors, however, called and notice or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice which shall be filed with the minutes of the proceedings. The waiver of notice need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorums present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 12. Compensation. No director shall receive any

compensation from the Association for acting as such unless approved by the Members representing a majority of the total vote of the Association at a regular or special meeting of the Association; provided, however, any director may be reimbursed

Section 1.1. The Board of Directors shall have the authority to make and alter the By-Laws of the Association, subject to the power of the Members to amend or repeal the same.

Section 1.2. The Board of Directors shall have the authority to make and alter the By-Laws of the Association, subject to the power of the Members to amend or repeal the same.

Section 1.3. The Board of Directors shall have the authority to make and alter the By-Laws of the Association, subject to the power of the Members to amend or repeal the same.

C. Board of Directors

Section 2.1. The Board of Directors shall consist of not less than five (5) members, who shall be elected by the Members at a regular meeting of the Association. The Board of Directors shall have the authority to make and alter the By-Laws of the Association, subject to the power of the Members to amend or repeal the same.

Section 2.2. The Board of Directors shall have the authority to make and alter the By-Laws of the Association, subject to the power of the Members to amend or repeal the same.

Section 2.3. The Board of Directors shall have the authority to make and alter the By-Laws of the Association, subject to the power of the Members to amend or repeal the same.

for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 13. Conduct of Meetings and Telephonic Participation. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings. One or more directors may participate in, and vote, during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time. Directors participating in such manner shall be counted for quorum purposes. Any such meeting at which a quorum participates shall constitute a regular meeting of the Board.

Section 14. Open Meetings. Subject to the provisions of Section 15 of this Article, all meetings of the Board shall be open to all members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

Section 15. Action Without Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 16. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members or the membership generally.

The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the

Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

(a) adoption of annual budgets in which there shall be established the contribution of each Owner to the Common expenses;

(b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, however, unless otherwise determined by the Board of Directors, the annual assessment for each Lot shall be payable quarterly in advance;

(c) Acquiring and providing for the operation, care, upkeep, maintenance, repair, replacement, landscaping, and beautification of all of the Common Roads, and the Common Areas;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair and replacement of its property and the Common Area and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to operate the Association; provided, however, any reserve fund may be deposited, in the directors' best business judgment, and in depositories other than banks;

(f) making and amending rules and regulations and establishing reasonable fines for violations thereof;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of property insured by the Association in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

(i) Enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) To obtain liability insurance if reasonably feasible, and paying the premium cost thereof;

(k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) making available to any prospective purchaser of a Lot, any Owner of a Lot, any first Mortgagee, and the holders, insurers and guarantors of a first Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules governing the Lot and all other books, records, and financial statements of the Association;

Section 17. Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Declarant or any affiliate of the Declarant may be employed as managing agent or manager. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon not more than thirty (30) days written notice.

Section 18. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) cost method accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) unless fully disclosed to and approved by the Board, no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association.

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) commencing at the end of the month in which these By-Laws are adopted, financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on a cash basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent thirty (30) or more days in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent if not paid when due, which due date shall be determined by the Board of Directors); and

(g) an annual report consisting of at least the following shall be available at each annual meeting or distributed to Owners upon request; (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant; provided, however, upon written request of any holder, guarantor or insurer of any first Mortgage on a Lot, the Association shall provide an audited financial statement. Such first Mortgagee shall be responsible for any additional cost incurred by the Association in the preparation of any audited financial statement pursuant to its request.

Section 19. Borrowing. The Board of Directors, upon a vote of at least three-fifths (3/5) of its members, shall have the power to borrow money up to a total of Ten Thousand (\$10,000.00) Dollars at any one time for any purpose without the approval of the Members of the Association. Borrowing which would increase the total amount borrowed at any one time to more than Twenty-five Thousand, (\$25,000.00) Dollars must be approved by at least three-fifths (3/5) of the members of the Board and by Members representing at least two-thirds (2/3) of the total Association vote. No Mortgage lien shall be placed on any portion of the Common Area by the Board of Directors without the affirmative vote of Members representing a majority of the total Association vote, including a majority of the votes in each class.

Section 20. Rights of the Association. With respect to the Common Area, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with Motels, restaurants and other owners or residents associations, both within and outside the Development. Such agreements shall require the consent of three-fifths (3/5) of all directors of the Association.

Section 21. Enforcement.

(a) Fines. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner and may be collected as provided for other assessments in the Declaration, for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder. In the event that any occupant, guest or invitee of a Lot, violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant, guest, or invitee; provided, however, if the fine is not paid by the occupant, guest or invitee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter. The Board shall not impose a fine (a late charge shall not constitute a fine) unless and until the following procedure is followed:

(i) Notice. Prior to imposition of any fine hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed fine to be imposed, (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the Covenants Committee (if one has been established pursuant to Article V of these By-Laws), or the Board of Directors for a hearing; and (iv) a statement that the proposed fine shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the fine stated in the notice shall be imposed.

(ii) Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. Proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the violator appears at the meeting. The minutes of

the meeting shall contain a written statement of the results of the hearing and the fine, if any, imposed. The Board of Directors or the Covenants Committee may, but shall not be obligated to, suspend any proposed fine if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to fine future violations of the same or other provisions and rules by any person.

(iii) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

(b) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by suspending an Owner's right to vote or any Person's right to use the Common Area, or by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of the Declaration and parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permitted by law, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

Article IV Officers

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election, Term of Office and Vacancies. The Officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of the death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the

Association will be served thereby.

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget and may delegate all or part of the preparation and notification duties to a finance committee, management agent or both.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Article V Committees

Section 1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by the majority of the Directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee and rules adopted by the Board of Directors.

Section 2. Covenants Committee. In addition to any other committees which may be established by the Board pursuant to Section 1 of this Article, the Board of Directors may appoint a Covenants Committee consisting of at least five (5) and no more than seven (7) members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article III, Section 21 of these By-Laws.

Article VI Common Roads

Section 1. Construction and Conveyance by Declarant. Declarant has constructed at its sole cost and expense all Common Roads

within the River Country Development. All of said Common Roads have a minimum traveled width of ten (10) feet and comply with the construction requirements for subdivision roads in Allegheny County.

Declarant shall transfer and convey to the Association within thirty (30) days from formation of Association any Common Roads located in the Common Areas and any rights-of-way or easements for said road to the Association without charging the Association any purchase price therefor or any closing cost except normal recording expenses.

As of the date of the adoption of these By-Laws, there are approximately 5 ½ miles of Common Roads which have been constructed and maintained by Declarant. All Common Roads deeded to the Association shall be accepted by the Association, subject to any restrictions or limitations set forth in the deed of conveyance, notwithstanding that some Common Roads may serve a greater number of lots than other Common Roads.

Declarant may reserve in each and every deed conveying Common Roads to the Association, for itself, its successors and assigns, such perpetual, nonexclusive rights of way and easements over, upon, across, and under the Common Roads (a) for ingress, egress and regress and access to other real property now owned or hereafter acquired by Declarant and Declarant's successors-in-title and included within the Legra Development, which rights-of-way and easements shall include, but shall not be limited to, the right to construct additional Common Roads and to connect said roads to the Common Roads owned by the Association and the right to erect, maintain and install street signs as deemed appropriate by Declarant in order to expand the Legra Development; (b) for installation, maintenance and repair of utility lines and appurtenances to serve such property of Declarant, which rights-of-way and easements 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 for economical and safe utility installation and to insure proper drainage and include the right to install such additional utility lines on the Common Roads or on additional property now owned or hereafter acquired by Declarant to complete, expand or improve the existing utility systems and to connect said utility lines to existing utility lines as deemed appropriate by Declarant, among other reasons, to expand the Legra Development; said rights-of-way and easements may be exercised by any licensee or successor or assign of Declarant in order to provide or maintain any such utility services or drainage and Declarant shall have the right to grant easements and rights-of-way for maintenance and repair of said lines over, on and under the Common Roads, without the joinder of the Association; provided, however, if requested to do so by Declarant, the Association shall join in any and all such grants; and (c) to cut or trim any trees, bushes, or shrubbery or take any other similar action reasonably

necessary to create, enhance or maintain scenic views for remaining property of Declarant, all as deemed necessary and appropriate by Declarant, which rights of way and easements may be exercised by Declarant, and its successors, successors-in-title and assigns, at no charge. The Association shall honor such rights of way and easements and not take any action inconsistent with the rights of way and easements provided for in such deeds of conveyance.

Section 2. Maintenance by the Association. In accordance with the Declaration, the Association shall be responsible for all maintenance, landscaping, beautification, repair and reconstruction of the Common Roads, including but not limited to, snow removal, mowing of grass, maintenance and repair of the traveled portions of said roads, the shoulders, ditch lines and culverts, maintenance and repair of street signs, removal of tree limbs and other debris, the operation and repair of street lights, if any, including the cost of electricity, and the resurfacing of said roads.

Article VII Assessments

Section 1. Common Assessments. Common Assessments shall be levied on all Lots except Lots owned by Declarant and shall be paid in such manner and on such dates as may be fixed by the Board of Directors. Unless the Board otherwise provides, the Common Assessment shall be paid in annual installments. Each Owner, by acceptance of a deed to his or her Lot acknowledges that all Common Assessments levied are annual assessments due and payable in advance on the first day of the fiscal year; provided, however, the Board may permit any assessment to be paid in installments. If any Owner is delinquent in paying any assessments or other charges levied on a Lot, the Board may revoke the privilege of paying in installments and require annual assessments to be paid in full immediately.

No owner may waive or otherwise exempt itself from liability for the assessments, including, by way of illustration and not limitation, by non-use of Common Area or abandonment of the Lot. The obligation to pay assessments (as provided in the Declaration) is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under the Declaration or these By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 2. Computation of Common Assessment. It shall be the duty of the Board, at least forty-five (45) days before the

beginning of each fiscal year, to prepare a budget covering the estimated expenses of the Association during the coming fiscal year to be incurred on behalf of all Lots. The budget may include a capital contribution establishing a reserve fund in accordance with a budget separately prepared as provided in Section 4 of this Article. The Common Assessment to be levied by the Association against each Lot for the coming year shall be set at a level which is reasonably expected to produce total income to the Association equal to the total budgeted expenses of the Association including reserves, if any. In determining the amount of the Common Assessment, the Board, in its discretion, may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Lots subject to assessment on the first day of the fiscal year for which the budget is prepared and the number of Lots reasonably anticipated to become subject to assessment during the fiscal year.

The Board shall establish a separate assessment rate for improved and unimproved Lots; provided, however, the improved Lot rate shall be at least one hundred fifty (150) percent but no greater than one hundred sixty (160%) percent of the rate for unimproved Lots. The Board shall also establish a separate assessment for any Lots developed as a restaurant, motel or chapel as provided in the Declaration; provided, however, said Lots shall not be assessed at a rate greater than two hundred (200%) percent of the rate for unimproved Lots. A Lot shall be considered "improved" upon the earlier of receipt of a certificate of occupancy issued by the appropriate governmental authority or occupancy of such Lot. All other Lots shall be considered "unimproved" for purposes of determining the assessment rate. The assessment rate for improved Lots shall be effective as of the first day of the month following the Owner's receipt of the certificate of occupancy or actual occupancy, whichever first occurs. Each Owner shall provide written notice to the Board within thirty days of receipt of the certificate of occupancy or actual occupancy, whichever first occurs.

The Board shall cause a copy of the budget and notice of the amount of Common Assessment to be levied against each Lot for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by a majority of the Members in the Association. There shall be no obligation to call a meeting for the purpose of considering the budget after its adoption by the Board of Directors except on petition of the members as provided for special meetings in Article II, Section 4, of these By-Laws, which petition must be presented to the Board within ten (10) days of delivery of the notice of assessments.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as

a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

Section 3. Special Assessments.

(a) Entire Membership. The Board may levy Special Assessments from time to time, provided such assessment receives the affirmative vote of Members representing at least a majority of the total Class "A" vote in the Association, and the affirmative vote or written consent of the Declarant so long as Declarant owns any portion of the Properties. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(b) Less than All Members. The Association may levy a Special Assessment against any Member separately and against such Member's Lot to reimburse the Association for costs incurred in bringing such Member and his Lot into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the By-Laws, or the Association rules, or to reimburse the Association for expenses incurred as the result of the conduct of any Owner, occupant, guest or invitee of a Lot, which conduct is in violation of the Declaration, these By-Laws, or the rules of the Association, or which conduct causes loss or damage to the Common Area or property of the Association. Such Special Assessments may be levied upon the vote of the Board after notice to the Member.

Section 4. Reserve Budget and Capital Contribution.

The Board of Directors may annually prepare a reserve budget to take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair and replacement cost. If the Board determines it to be necessary, the Board shall set a capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within and distributed with the budget and notice of assessments as provided in Section 2 of this Article.

Article VIII

Insurance and Casualty Losses

Section 1. Insurance.

The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Common Area (for purposes of this Article VIII "Common Area" shall include the Common Roads for which the

Association has a maintenance obligation as provided herein). If blanket "all-risk" coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained. The face amount of such insurance shall be sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

If reasonably available, the Board shall obtain a public liability policy covering the Common Area, insuring the Association and its Members for all damage or injury caused by the negligence of the Association or any of its Members or agents, or any other person who has a right to occupy a Lot. The public liability policy shall have at least a Two Million (\$2,000,000.00) Dollars combined single limit.

Premiums for all insurance on the Common Area shall be Common Expenses of the Association and shall be included in the Common Assessments, as defined in Exhibit "A" and as more particularly described in Article VII, Section 1 hereof. The policies may contain a reasonable deductible, and, in the case of property insurance, the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the party who would be liable for the loss or repair in the absence of insurance and, in the event of multiple parties, shall be allocated in relation to the amount each party's loss bears to the total.

All insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for the respective benefitted parties, as further identified in subparagraph (b), below, and shall be for the benefit of the Association, the Owners, and their Mortgagees. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company authorized to do business in North Carolina.

(b) All policies shall be for the benefit of the Association and its Members.

(c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees.

(e) All property insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement, if reasonably available, with an annual review by one or more qualified persons, at least one of whom must be familiar with the real estate industry and construction in the Allegheny County, North Carolina, area.

(f) The Association's Board of Directors shall be required to use reasonable efforts to secure insurance policies that will provide for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents, and guests;

(ii) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(iii) a statement that no policy may be canceled, invalidated, suspended, or subject to non-renewal on account of the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner or Mortgagee;

(v) a statement that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) a statement that the Association will be given at least thirty (30) days prior written notice of any cancellation, substantial modification or non-renewal.

In addition to the other insurance required by this Section, the Board shall obtain worker's compensation insurance, if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, flood insurance, if required, and a fidelity bond or bonds on directors, officers, employees, and other Persons handling or responsible for the Association's funds, if reasonably available. The amount of fidelity coverage shall be determined in the directors' best business judgment but, if reasonably available, may not be less than one-fourth (1/4) of the annual Common Assessments on all Lots, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled, substantially modified, or subjected to non-renewal without at least thirty (30) days prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

Section 2. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any portion of the property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition and location in which it existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless owners representing at least seventy-five (75%) percent of the total vote of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. The burden and obligation to conduct such a vote shall be on the Owners involved, and not on the Board or the Association. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such funds or information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

(c) In the event that it should be determined by the Association in the manner described above that the damage for destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be resorted to its natural state and maintained by the Association in a neat and attractive condition consistent with the standard originally established by the Declarant.

Section 3. Disbursement of Proceeds.

If the damage or destruction for which the proceeds of insurance policies held by the Association are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as necessary to defray the cost thereof. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with

the affected Owner or Owners and their Mortgagee(s) as their interest may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account.

Section 4. Repair and Reconstruction.

If the damage or destruction to the Common Area for which the insurance proceeds or insurance policies held by the Association are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Association's Members, levy a Special Assessment against all Owners on the same basis as provided for Common Assessments.

Article IX Miscellaneous

Section 1. Fiscal Year.

The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules.

Except as may be modified by Board resolution, Robert's Rules of Order (Current edition) shall govern the conduct of Association proceedings when not in conflict with North Carolina law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 3. Conflicts.

If there are not conflicts between the provisions of North Carolina law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of North Carolina law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

Section 4. Books and Records.

(a) Inspection by Members and Mortgagees. The Declaration, By-Laws, and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in the Lot at the office of the Association or at such other place within the Legra Development as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

(i) notice to be given to the custodian of the records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 5. Notices.

Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 6. Amendment.

The Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendments is (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots; provided, however, any such amendment shall not adversely

affect the title to any Lot unless the Owner shall consent thereto in writing.

Except as provided above or otherwise specifically provided herein, these By-Laws may be amended, at a regular or special meeting of the Members, by the affirmative vote of Members in person or by proxy representing a Majority of the total Association vote and the consent of the Declarant, so long as Declarant owns property subject to the Declaration.

No amendment may remove, revoke, or modify any right or privilege of Declarant and its affiliates without the written consent of Declarant or the assignee of such right or privilege.

Section 7. Indemnification.

The Association shall indemnify every officer, director, committee member, and management agent against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, committee member or management agent in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, committee member or management agent. The officers, directors, committee members and management agent shall not be liable for any mistake or judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors or committee members may also be Members of the Association), and the Association shall indemnify and forever hold each such officer, director, and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, committee member, or management agent or former officer, director, committee member or management agent, may be entitled. The Association shall, as part of the Common Expenses, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

EXHIBIT "A"

Definitions

The following words, when used in these By-Laws (Unless the context shall prohibit), shall have the following meanings:

(a) "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Legra's River Country Property Owners' Association as filed with the Secretary of State of the State of North Carolina.

(b) "Association" shall mean Legra's River Country Property Owners' Association Inc., a nonprofit North Carolina Corporation, its successors and assigns.

(c) "Board of Directors" or "Board" shall mean the appointed or elected body of the Association, as applicable, having its normal meaning under North Carolina corporate law.

(d) "By-Laws" shall refer to the By-Laws of Legra's River Country Property Owners' Association, as amended from time to time.

(e) "Class "B" Control Period" shall mean and refer to the period of time during which the Class "B" Member is entitled to appoint a majority of the members of the Board of Directors, as provided in Article III, Section 2 of the By-Laws.

(f) "Common Area" shall mean any and all real and personal property and easements and other interests, together with the facilities and improvements located thereon, which are owned by the Association now or in the future for the common use and enjoyment of the Owners.

(g) "Common Assessments" means assessments levied against all Lots to fund Common Expenses.

(h) "Common Expenses" shall mean and include the actual and estimated expenses incurred by the Association for the general benefit of all Owners, including contributions to any reserve fund, all as may be found to be necessary and appropriate by the Board pursuant to the Declaration, the By-Laws, and the Articles of Incorporation of the Association.

(i) "Common Road(s)" shall mean and refer to all the streets and roads or segments thereof in the Development dedicated to the use of all property owners in the Development by the sale of Lots by Declarant by reference to recorded maps in the Office of the Register of Deeds for Allegheny County, North Carolina, which show said roads but shall not include those private drives within the Development located within the boundary lines of lots or within the

perimeter boundaries of any restaurant or motel property which shall be the maintenance responsibility of the individual lot owners, or other owner, or their successors or assigns, as appropriate. The term shall include the entire width of the right-of-way for each road as platted of record in the Office of the Register of Deeds of Allegheny County, North Carolina, including, without limitation the traveled portion of said road, the shoulders, ditch lines, culverts, street signs, street lights and other improvements, if any lying within such right-of-way. The term shall not, however, include the traveled portion of any private drive constructed within said recorded right-of-way nor shall it include any electric, telephone, cablevision, water, sewer or other utility lines, equipment and appurtenances located within said right-of-way.

(j) "Declarant" shall mean and refer to Elias Legra and Rita Legra or their heirs, successors, successors-in-title or assigns who take title to any portion of the property subject to the Declaration for the purpose of development and sale.

(k) "Declaration" refers to those certain Declaration of Restrictions for Pleasant Views of North Carolina Subdivision recorded in Deed Book 163 at Page 711; for Heavenly Hills Subdivision recorded in Deed Book 163, Page 716; for Alice Springs Subdivision recorded in Deed Book 163, Page 721; and for Lake View Hills Subdivision recorded in Deed Book 163, Page 726 all being recorded in the office of the Register of Deeds of Allegheny County, North Carolina (as amended or supplemented from time to time) and such other Declarations of Restrictions applicable to the lots, restaurants, motels and chapel now or hereafter located with Legra's Development.

(l) "River Country Development" or "Development" shall mean and refer to that certain residential community in Allegheny County, North Carolina which shall include a maximum of single-family residences and the River Country Development amenities located on all or portions of those certain tracts or parcels of land heretofore deeded to Legra Land Investors, Inc. or Elias Legra by deed recorded in Book 125 at Page 635, Book 131 at Page 418, Book 129 at Page 291 and Book 139 at Page 600, Allegheny County Registry, to which deed reference is hereby made, and such other tracts or parcels of land now owned or hereafter acquired by Elias Legra, his successors or assigns and brought within the jurisdiction of the Legra's River Country Property Owners' Association

(m) "Majority" means those eligible votes, Owners, or other class, as the context may indicate, totaling more than fifty (50%) percent of the total eligible number.

(n) "Member" refers to a Person entitled to membership in the Association, as provided herein.

(o) "Mortgage" means any mortgage, deed to secure debt, or deed of trust, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

(p) "Mortgagee" means the holder of a Mortgage.

(q) "Owner" means the record owner, whether one or more Persons, of the fee simple title to any Lot, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.

(r) "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust, or other legal entity.

(s) "Properties" shall mean and refer to those Lots (as said word is hereafter defined) which are now subject to the Declaration and any additions thereto which shall become subject to the Declaration and brought within the jurisdiction of the Association.

(t) "Lots" shall mean a portion of the Properties, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use and occupancy as a residence, restaurant, motel or chapel and shall also refer to any structures constructed thereon. The term shall include within its meaning, by way of illustration but not limitation, motels, restaurants and single-family detached houses on separately platted lots, as well as unimproved platted lots, but shall not include Common Areas, common property of any other association, or property dedicated to the public.

(u) "Utility Lines" shall mean and refer to all electric and telephone wires, conduits, lines and equipment, water lines, wells and well sites, pipes, meters, valves, pumps, pressure reducing stations, sewer lines, septic drain fields, gas service lines, cable television lines, natural gas lines, manholes, drainage ditches, culverts, headwalls, retention ponds and other utility fixtures and appurtenances.