

Guidelines and Procedures

Sapphire Lakes Architectural Board

INTRODUCTION

The approval of all construction in Sapphire Lakes--whether new houses or additions/alterations to existing ones whether large or small-- is the responsibility of the Sapphire Lakes Architectural Review Board. Their objectives are to control fairly, wisely and in a fashion which promotes environmental quality, general design excellence and property values. As unpaid volunteers, the Board members work hard to protect the interests of all Sapphire Lakes property owners and deserve your thanks and cooperation.

The Board has exercised, and will continue to exercise, its authority to reject designs for purely aesthetic considerations and failure to blend into and complement the neighboring residences and the subdivision as a whole.

The Architectural Review Board hopes these guidelines will help make your construction experience a happy and effective one.

SCOPE AND PURPOSE

This "Guidelines and Procedures" document has been prepared and issued by the ARB specifically to encompass the construction and improvement of single-family residences.

This "manual" is primarily intended to guide and assist Sapphire Lakes residential property owners who are planning to: (1) construct a new residence, (2) make additions to, or any exterior alterations of, an existing residence or structure, or (3) paint, re-stain, re-roof or otherwise improve the exterior appearance of their home. Adherence to the guidelines in this document will help assure that the owner's construction or improvement project is a pleasant, speedy and more cost-effective experience.

Though most local architects, designers and contractors already will be familiar with the rules and guidelines herein, property owners are urged to verify that the design and construction professionals they select are, in fact, thoroughly knowledgeable about the Sapphire Lakes ARB requirements.

Periodically, the ARB may produce changes or modifications concerning guidelines, forms, or schedules as described within this guideline notebook. Please contact the ARB staff prior to the submittal of a Permit Application for an update of any changes that may have occurred.

The purpose of this manual is to encourage high quality home design, overall diversity and individual expression within the context of a cohesive and

harmonious community framework, and in a manner appropriate to the climate and other environmental factors indigenous to this area. The standards herein are intended to protect the property values of all Sapphire Lakes owners, and the review procedures are intended to provide a timely, systematic and uniform review for all construction requiring Architectural Review Board approval.

The authority of the ARB is derived from the Sapphire Lakes Protective Covenants. In any instance where the guidelines herein conflict with the covenants, the recorded covenants shall control.

SECTION I

NEW RESIDENCE CONSTRUCTION AND ALTERATIONS/ADDITIONS

THE ARB AND ITS REVIEW PROCESS

The Sapphire Lakes Covenants state:

"No building, fence or other structure shall be erected, placed or altered on any lot in Sapphire Lakes until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of such building or structure, drives and parking areas) shall have been approved in writing by the ARB, its successors or assigns. *Refusal of approved plans, location or specifications may be based by the ARB upon any grounds including purely aesthetic conditions, which in the sole and uncontrolled discretion of the ARB shall seem sufficient.* No alteration in the exterior appearance of any building or structure shall be made without like approval by the ARB." The Board's decisions are not bound or restricted by any precedent relating to existing construction within Sapphire Lakes.

Board Meetings

The Board normally convenes once each month in the main offices of Sapphire Lakes,

To be considered for Board action, submittals complete with all requisite elements (see Section I - B for details) should be received at the ARB office no later than **12:00 NOON on the first working day of the month prior to the meeting** at which Board review is desired. All data requirements shall be complete or the Board may defer review of a submittal.

No site clearing, material deliveries or construction may begin without first obtaining a Sapphire Lakes Building Permit.

Before considering for approval the permit applications for all new houses and most major additions or alterations, the Board will first formally notify adjacent and nearby property owners (within 100 feet of subject property) of the intended construction. The property owners so notified will then have up to ten days to preview the application at the ARB office and, if desired, to file written comments or objections regarding the proposed construction. After receipt of the applicant's response, if any, the ARB will initiate detailed review of the application at its next regular Board meeting.

This notification procedure is an opportunity for nearby property owners within a minimum of 100 feet from the property lines of the new house or major house alteration to review plans and make suggestions, but final approval of construction plans rests with the ARB.

If proposed construction includes any variance(s) from the ARB guidelines, it (they) should be requested specifically and submitted with the Permit Application and building plans.

B. WHAT AN APPLICATION MUST INCLUDE

In order to expedite the review process, it is strongly recommended that prior to the development of any project that a meeting be scheduled between the applicant, his architect, his builder (if known) and the ARB Administrator. This ensures that any guideline changes that may have occurred since the last submission can be discussed **before** the initial drawings are begun. If tree removal is expected, the ARB Arborist should also be included in the initial meeting. He can advise the applicant as to which trees should remain on a lot and those that may be removed.

SITE ANALYSIS: This review is designed to help the architect and owner prepare a thoughtful design, taking into account the impact of the site improvements on the environment and neighborhood.

THE FIRST SUBMISSION SHOULD INCLUDE:

Tree and topo survey: The applicant will provide a topographical survey prepared by a licensed land surveyor showing the location, size and species of all trees over 6" in diameter at chest height and noteworthy small flowering trees and shrubs. This will include lines of the lot and all adjacent lots, easements and contour lines at one foot intervals. All prominent natural features will be indicated. The survey should extend as far into the adjacent areas as necessary in order to assure the designer of careful attention to all environmental and aesthetic issues.

Site plan: The purpose of the Site Plan is to indicate diagrammatically the general functional layout and massing of everything to go on the lot. The site plan should include location and canopy of significant trees, visual screening, identification of views and vistas, impact on adjacent homes, public areas and driveways, site access, utility locations and areas providing maximum privacy from neighboring houses and lots.

At the discretion of the applicant, a schematic rendering of a proposed improvement may be submitted to the ARB in order to determine the suitability of a particular style or design for construction in Sapphire Lakes. The ARB's opinion will be non-binding and will be offered only in an effort to save an applicant's time and expense in pursuing a design that ultimately might be disapproved.

1. Preliminary Review - The ARB strongly recommends that a Preliminary Application be submitted for review and approval before all construction plans are completed -- even if the proposed construction seemingly conforms to all ARB guidelines and no variance, even minor, is involved. Preliminary approval by the ARB is a formal expression of general acceptability by the Board of the plan or design.

2. Final Application - Though the Preliminary Review phase may be omitted, the Final Application -- including all requisite drawings and data described in the following section -- is a mandatory submittal requirement for anyone planning any type of construction within Sapphire Lakes.

3. Description of the Application Elements

There are up to 17 separate elements (parts) that must be included with an application, depending upon the level of ARB review and approval sought, as summarized in **Table A**. This table should be used as a "checklist" when compiling an application for submittal..

NOTE: All drawings for final submittals are to be prepared at a scale of 1/4" = 1'0", except as noted in following sub-sections. Preliminary drawings may be submitted at 1/8" = 1'0".

a. Application Form - The ARB's standard Application for Building Permit form serves as the "cover" document and must be submitted with the first application, regardless of type, and resubmitted (updated) with each subsequent submittal for the same project. Please be sure to include complete and accurate current mailing addresses and telephone numbers for the owner, the architect or designer, and for the builder (when known) so that quick communication can be made by ARB staff with the parties involved, when necessary. For Preliminary Review Applications, the "Exterior Materials and Colors" section on the form may be omitted, if the pre-approved colors are used.

b. Application Fees - Permit application fees are based on the covered dwelling area (square footage) reported on the application form and according to the permit fee schedule shown in the Appendix. These fees must be paid in full with the **first** application or no action will be undertaken by the ARB. If the enclosed dwelling area is increased at any point in the design or construction of a residential project, a supplemental permit fee must be paid commensurately with the square footage increase.

c. Variance Request – A Variance request must be completed and submitted along with any application that includes a variance from ARB guidelines. If this request is not included and the Board's analysis/review reveals the existence of any variance, the entire application will be automatically deferred or disapproved.

d. Tree and Topographic Survey - A Tree and Topographical Survey prepared by a North Carolina licensed land surveyor or registered engineer, which shows the seal of the responsible professional must be submitted. This survey must: (1) be drawn at a scale of 1/8" = 1'-0" (or larger), (2) show the legal lot boundaries and all recorded easements, (3) show Sapphire Lakes setback lines, (4) indicate the natural topography with one-foot contours and lot corner elevations, (5) show all trees 6" or larger in diameter, as measured at 4' above grade, by species and size, (6) note any existing man-made drainage provisions on or near the lot, (7) indicate the position of adjacent roadways, or golf cart paths, and golf fairways, (8) show the exact position of all existing residential and amenity structures on adjacent lots, and (9) must be dated within 2 years of the submission date.

e. Site Plan - This plan, to be prepared by the project's architect or designer, will use the Tree and Topographic Survey drawing as a base, and will superimpose at least the following information: (1) the setback lines as specified by the subdivision plat, or by ARB guidelines, or by any more restrictive agency, as appropriate for a given lot, including separate setback lines for horizontal construction, (2) the footprint(s) of proposed construction, including main house structure, any accessory building, driveways, swimming pools, decks, etc., (3) outline of the roof overhang, (4) location of septic tanks and drainage fields for lots without sewer access, (5) trees proposed to be removed marked by an "X," (6) location of fenced service yard(s), including location of HVAC compressors, and utility meters, (7) location of bore holes for closed-loop water source heat pumps, if any, with anticipated depth indicated, (8) finished first floor elevation(s) to be noted inside house footprint, and (9) notes which indicate the following area

calculations (in square feet): (a) area footprint covered by building roofs or trellis (including all heated and unheated spaces), (b) area of all decks, stairs and porches, (c) area of all impermeable driveways, walks and pools, (d) the total square footage of these areas of improvements, (e) the total area of the lot, (f) the total area of all improvements (i.e., item (d) above) also expressed as a percentage of the total lot area, (g) the "buildable area" within setback lines, and (h) the "building envelope" area encompassed by closed walls, also expressed as a percentage of buildable area.

A separate site plan with the entire footprint of the adjacent properties must also be submitted. This plan may be reduced to 1/16th scale.

f. Photos of Adjacent Residences - Color photographic prints of the front and rear of adjacent residences on both sides of the proposed construction, except for corner lots or where an adjacent lot is undeveloped.

g. Stake-out and Tree Banding - The specific requirements for such are defined in Section I.G. The applicant should have the stake-out and tree banding completed by the time the application is submitted to the ARB. The applicant will be charged an additional fee if the site is not stake-out when the ARB representative inspects the site. Please review the fee schedule in the Appendix for this charge.

**TABLE A
INGREDIENTS OF AN APPLICATION**

APPLICATION TYPE ELEMENT	TYPE OF APPLICATION	
	PRELIMINARY	FINAL
Application Form	✓	✓
Application Fees	✓	✓*
Variance Request Form	If applicable	If applicable
Tree & Topographic Survey	✓	✓*
Site Plan - % of Lot Coverage and Entire Footprint of adjacent properties	✓	✓
Photos of Adj. Residences	✓	✓*
Stake-out & Tree Banding	✓	✓*
Grading & Drainage Plan		✓

Foundation Plan		✓
Floor Plan(s)	✓	✓
Elevation Drawings***	✓	✓
Electrical Plan(s)		✓
Building Sections	✓	multi-story
Construction Detail Dwgs.		✓
Landscape Plan		✓
Color/Material Samples	Preferred	✓

✓ = Mandatory Submittal Requirement

* = Unless previously submitted and unchanged

*** = Partial elevations will not be accepted for new construction or additions/alterations.

h. Grading and Drainage Plan - Prepared, signed and sealed by a licensed and insured drainage professional. This separate site plan sheet, prepared at a 1/8" = 1'-0" scale, should clearly depict how storm rainwater from the roofs and all paved areas of the proposed construction will be directed away from adjacent residential lots and either retained on-site or directed to existing off-site lagoons or other drainage structures. Setback lines and trees to be removed should not be shown on this sheet. Specific information should be provided regarding proposed finished site grading. All planned changes from original grade should be depicted (with 1-foot contour lines), proposed fill areas should be highlighted, the location and shape of diversion swales or berms should be shown, and surface water flow direction should be indicated on the plan by large bold arrows. If applicable, this plan should also indicate the location of planned septic drain fields. Driveway surface slopes, and the outfall location(s) of any roof gutters and downspouts should be depicted. The owner is also required to sign an agreement of responsibility for compliance to the drainage plan.

i. **Foundation Plan** - A dimensioned plan showing the foundation design and particularly how the design will relate to the root systems of nearby specimen trees & site slope

j. **Floor Plans** - Dimensioned architectural floor plans depicting the layout of each level of the proposed building, including windows, doors, interior stairways, etc. All rooms should be labeled as to function, and basic overall room dimensions shall be shown. The elevation(s) of the finished first floor should be shown on that floor plan. The computed heated/air conditioned and screened areas should be shown (in square footage) on each floor plan.

k. **Elevation Drawings** - These architectural plans shall accurately represent the vertical view of each and every side of the proposed construction. Elevations should be delineated for every floor on each drawing; and the height from the **lowest** finished first floor elevation to the highest roof peak should be dimensionally shown as well. Roof slopes should be symbolically indicated. All exterior wall materials are to be accurately and fully depicted. Proposed finished grades, at the house sides, should be outlined on each elevation drawing, so that expected foundation exposure is evident.

l. **Building Sections** - Include one or more building cross-sections to show building volume and for clarification of multi-story structures.

m. **Construction Detail Drawings** - To include typical construction details such as a wall section, corner detail, privacy fence/wall detail, service yard fence/wall detail, chimney cap detail, entry step and handrail detail, deck seating detail, window and door details, and all other details necessary to explain the materials and finishes to be used on the building exterior. Catalogue cuts of exterior lights also are to be included. Scale of these details are at the discretion of the architect/designer.

n. **Landscape and exterior lighting plan** - A landscape plan is required for any application submitted to the ARB.

Any exterior lighting and all landscape lighting must be accompanied by a lighting plan that is to be submitted with the landscape plan for consideration and approval. The ARB requires that all exterior lighting be designed in such a way as to not impact neighbors, and must subtly blend into the natural environment. Specifically, exposed lamps, clear or translucent globes and lenses, or any other type of fixtures which creates glare should not be

used. Low wattage fixtures should be used throughout the exterior lighting plan. High intensity lights are allowed when they are coupled with an alarm system, providing they are illuminated only when the alarm is activated and then only for a limited time period. Such a system must be submitted to the ARB for approval. The ARB requires that a catalogue cut sheet be submitted of all light fixtures proposed for use on the exterior of a house or as a part of the landscape design.

o. Color/Material Samples - When the ARB's "pre-approved" paint and stain colors are to be used, no color samples need be submitted for such. However, other colors of all exterior surfaces, excepting glass, must be submitted in sample form of sufficient size(s) of representative materials. Manufacturers' "color chips" or brochures will not be acceptable since the colors so represented often vary markedly from actual applications. Stain samples should be on actual wood siding and/or trim boards of 6-12" length. Stucco color samples should show actual finished texture on foam or other stiff backing of an approximate 12 x 12" size. Roofing color/material samples should be a single actual shingle, but not larger than 12 x 12".

p. House Model - A Scale Model constructed at 1/8" = 1'-0" may, at the discretion of the Board be required for proposed new houses. The purpose of such models is to aid the Board's understanding of a more complex, elaborate or otherwise controversial design proposal. These models should portray, with reasonable accuracy, the roofscape and exterior elevation. Color enhancement simulating proposed roof and siding colors would be useful but are not a requirement.

Applicants will be advised of the requirement for a model subsequent to preliminary design review of a project. However, applicants may so chose to submit models at any time.

q. Renderings - At the discretion of the ARB pictorial renderings (architectural perspective) may be submitted for each new house and major alteration along with the preliminary application. One rendering should show two sides of the house and the second the other two sides with large trees and landscaping indicated. Each rendering should be drawn to scale. Axonometric renderings are not acceptable.

4. Form and Quantity of Data Submittals

All architectural plans and drawings shall be in blueprint format. Penciled-in comments and "red-lined" changes/additions normally will not be considered in the Board's review process.

For Preliminary and Final Applications, only one copy each of specified plans and drawings is needed. All drawings will be retained by the ARB for use during inspections and for the permanent ARB file.

C. DESIGN GUIDELINES

The Architectural Review Board is dedicated to continue to create and maintain a unique and ecologically sensitive community. The architectural design and construction philosophy of the ARB is that "buildings should be unobtrusive in form and color in order to complement their natural setting. The main concern is that the total community be homogeneous in feeling in a park-like setting and free from discordant architectural shapes and colors which vie for attention and attempt to create a greater visual impact than a neighbor's."

Every residence should be a carefully planned addition to the natural setting which embraces its site. Building shapes should provide interest and be compatible with neighbors. Large homes can be made to appear smaller and small homes to appear larger by the manipulation of shapes and forms, and by the effective use of decks, carports, garages and screened porches. The roofscape of each home should complement the design of the home, the natural surroundings and neighboring house designs.

The aesthetic appearance of a residence depends greatly upon the situation of the siding, roofing, details, fenestration, walls and fences. Windows should be selected and located to provide for views, light and natural ventilation. Walls, fences and screens should be used to provide privacy, enclose service areas and HVAC units, and to reduce the scale of large masses. Details at the soffit, fascia, base, corners, windows and decks should have common elements that help unify the appearance.

The exterior design of every single-family residence should be unique within Sapphire Lakes. Repetitive "cookie cutter" type houses are not acceptable. Sufficient architectural design flexibility exists for skilled architects and designers to create a singularly unique external appearance for every home that remains compatible with, and complementary to, neighboring residences.

Homes that completely "fill" the "buildable area" of a lot or that continuously touch side setbacks tend to produce "box-like" structures and a tunnel effect between houses. This conflicts with the natural, park like setting of the Sapphire Lakes community setting and is not acceptable.

The Board intends to apply several aesthetic and natural setting considerations as it reviews proposed projects, including the Board's evaluation of at least the following parameters:

The positions of existing residential structures on immediately adjacent lots and of other houses on the same street.

Depth of the applicant's lot.

The size, height and number of stories of the proposed construction. In general, the Board will likely require more setback for taller and larger houses.

Amount and density of existing natural vegetation.

The tree line, if any.

1. Setback Requirements

"Setback" is defined as the **minimum** distance from a property line that any structure may be placed. The envelope defined by the setback lines for any lot, no matter how established, determines the "buildable area". Within this envelope the primary house, any accessory building and any other vertical structure must be completely placed. Building setback requirements apply to the outside walls or surface of a structure. Roof eaves may overhang setback lines; and fenced service yards are generally allowed to protrude into the specified setback areas. Additional required guest parking places should be within the buildable area. The setbacks for horizontal structures such as in-ground swimming pools, deck and patios, driveways, etc. -- are treated in later sections of this document devoted to those types of construction.

Front (street side)	50' from road right-of-way
Rear	50' from rear lot line
All other sides	25' minimum

The Board reserves the right on a case by case basis to approve variances from the setback guidelines or require setbacks that are greater than the minimum setbacks .

2. Building Size and Height

The original contract of sale for each lot usually stipulates the minimum square footage that may be constructed. Building heights shall be determined by lot location, tree cover and relationship to neighboring homes.

The minimum size of the enclosed dwelling area of homes is 1,500 square feet.

Though maximum building sizes are not specifically established, the ARB considers mass and bulk of a structure and may, at its sole discretion, disapprove a submittal that is inappropriate for the site due to apparent size. **The Board will not approve any submittal which crowds the site and/or is out of context with other structures in the area.**

The maximum height of a proposed single-family residence -- measured from the base flood elevation to the highest roof peak -- shall be limited to 45 feet.

Single-family townhouses may be constructed on certain tracts of land which have been subdivided and platted for such townhouses.

3. Ratio of Covered Area to Lot Size

Volume is a consideration when evaluating a project for mass and bulk. **Multi-story living spaces shall be counted at the actual square footage for purposes**

of the ratio of covered area to lot size to accurately evaluate the impact of the mass and bulk of the project.

Mass and bulk can be greatly affected by the design of a structure. Some design considerations include roof form, foundation height, finished floor of the adjacent structures, and fenestration as well as the impact of tree coverage to visually reduce the mass and bulk of a structure.

Garages and carports, driveways and off-street parking should not be overly apparent from the street. Front entry garages will not normally be approved except in cases of excessive tree removal or restrictive lot size. Rooms located above the garage should be designed for minimum visual impact. Additionally, for each house with up to 4 bedrooms (all size lots), a minimum of two off-street guest parking spaces should be provided **within the property lines**. For each additional bedroom over 4, one additional parking space is strongly recommended for each additional bedroom. These parking areas should be within the "buildable" area and not closer than 30 feet from the street side property line (except patio lots). Off-street turn-around or backup areas also should be provided so that departing vehicles need not back into the street. The ARB may limit the number of driveway connections to the street (curb cuts) to one per single-family residence. The area of the driveway must be kept to a minimum, and the form of the driveway should be softened to distort any long views down or across same. Driveways, including guest parking areas and turnarounds must be set back at least five feet from all property lines, except at the driveway connection with the street.

Front entry garages will not normally be approved. The driveway approach must be carefully integrated into the grading and landscaping scheme with gentle curves presenting a natural path through the site. Straight driveways leading directly to blank garage doors are not appropriate. Except for narrow patio lots, driveways should not parallel side property lines. Double-cut driveways are discouraged unless the street property line is exceptionally long. Off-street parking spaces should be integrated into the driveway path and adequately screened from view with landscaping. Highly visible driveways should be softened by the type of surface material used to construct the driveway. **Nature blending materials** such as ARB approved colored concrete or aggregate added to concrete, and stone or brick used as edging or as inserts in driveways are preferred over a plain concrete driveway. When major additions are considered for existing homes with unpaved driveways, the Board may require that the existing driveway and parking area be upgraded pursuant to the current new home standard.

4. Exterior Materials and Colors

The exterior colors of residential buildings in Sapphire Lakes should compliment and blend with the surrounding environment. All siding, trim, shutter, and door colors should be selected accordingly. White, or off-white and very light colors are generally discouraged.

A display of "pre-approved" colors is maintained in the ARB offices in order to simplify an owner's color selection.

5. Roofs

Roof forms throughout Sapphire Lakes should be sympathetic to one another to help achieve a pleasant, homogenous character. Flat roofs are discouraged. Roof forms should be articulated with changes in plane, gable ends and other elements that present an interesting roof form. These basic elements should not be restricted to just the front facade of the house. All sides must be considered in a similar fashion, as homes are viewed from many vantage points.

Roof materials must have texture and depth. Acceptable roofing materials include wood shakes, wood shingles, fiberglass shingles, slate. In case of fiberglass shingles, these shall be a "shake" style, of a minimum weight per square of 300 pounds, and be mildew/fungus-resistant. Other roofing materials shall be held to a similar standard of quality. Light and bright roof colors are not appropriate.

All roof accessories, such as vent stacks and roof vents, shall be located away from the front elevation and painted to match the roof color. All flashing is to be copper or pre-finished aluminum. When any roof addition or extension of an existing roof is made, the existing roof must be reshingled to the nearest valley, or roof break, so as to insure visual continuity of the entire roof structure.

6. Windows and Doors

The ARB normally disapproves the use of white as an exterior color, since such is discordant with the natural setting, and prefers that the window and door frames be of muted colors that match or nearly match siding colors.

7. Chimneys

The ARB believes that the traditional use and richer appearance of a stone or stucco chimney greatly enhances the aesthetic appearance and market value of a Sapphire Lakes home. Therefore, the proposed use of wood-sided chimneys will result in permit application disapproval.

Additionally, chimneys on an exterior wall should be extended to grade level, for appearance sake, rather than terminating at the first floor elevation.

Exposed metal flues are not permitted. Prefabricated chimney flue caps must be screened with a masonry or other non-combustible material shroud, and must be painted in an acceptable color.

8. Service Yards

Covenants require that every house have a service enclosure for trash receptacles, utility meters, HVAC equipment, pool equipment, gas storage tanks,

D. RESULTS OF THE ARB REVIEW PROCESS:

Applications are reviewed for projects after all necessary application elements and the required 10 day notification period has elapsed. The review of plans submitted will generate one of the following responses:

1. Conditional preliminary approval letter.
2. Preliminary approval letter. (Without conditions)
3. Building permit agreement issued to owner indicating final approval. Permit must be executed and returned with the appropriate escrow deposit to obtain a building permit.

4. Deferral for additional information or other reasons the ARB may deem appropriate.
5. Disapproval letter which will included reasons for disapproval from the following standard form: (The applicant and designer will be encouraged to attend a meeting with the ARB to discuss the project.)
6. Applications will expire if there is no activity for a period of six months. If allowed to expire, a new application with the appropriate application fee will be required. Standards other than those typically applied by the ARB to submissions during the same period of time will be required; nonetheless, any approval of a plan which, when built, is not considered desirable for future construction, shall not be considered as a precedent requiring the ARB to approve similar plans on subsequent submissions".
Based upon this covenant language the decision of the ARB to **disapprove** an application will be for one or more of the following reasons:

Reasons for Disapproval

- 1. The proposal violates the current Sapphire Lakes Covenants.**
- 2. The design is considered aesthetically unacceptable due in part to the following:**

- a. The siting of the house does not show adequate consideration of the topography and/or the natural vegetation and/or other assets of the lot.

1. Tree removal is viewed as excessive.
2. Fill/grading is inappropriate.

- b. The choice of materials and colors are not visually harmonious with the surrounding development.

- c. The site coverage of the project and/or its physical bulk and/or height above grade are considered to be excessive and inappropriate for the site.

- d. The proportions of the structure design and the choice of style and/or details are considered to be inappropriate and/or aesthetically unpleasing.

- e. The view of the structure from the adjacent street is aesthetically inappropriate and/or unpleasing.

- f. Other, not included above.

- 3. No acceptable case was made for the approval of a variance from current ARB Guidelines or procedures.** Comments: (Additional explanatory comments may be included)

4. Any additional comments: (explanatory comments may be included)
5. A complete and comprehensive review of the plans was not done due in part to the above referenced items.

E. LANDSCAPING

A house without sufficient landscaping appears unattractive in the verdant natural setting of Sapphire Lakes. Landscaping is required to enhance the beauty of the property and to screen project elements like service yards, parking areas, large building masses, elevated foundations, swimming pools, etc. Thus, an owner's commitment to providing an adequate quantity, quality and size of landscaping at an early date is considered requisite for ARB approval of permit applications for all new houses and for major additions/alterations to existing residences.

The Board has determined that since Sapphire Lakes is a mature community the appearance of new construction should be mitigated (as completely as is possible) by mature landscaping, creating the appearance of an established landscape. This design requirement applies to groundcovers, shrubs, vines, trees and other landscape and hardscape elements. All proposed landscape designs must have landscaping materials that are of sufficient massing and sizes to achieve this desired "mature and established" aesthetic effect.

Landscape Plan

The Landscape Plan should be professionally prepared, by a landscape architect or nursery designer, with a 1/8" = 1'-0" or 1/4" = 1'-0" scale on a separate copy or overlay of the site plan for the house and its external amenities. The Landscape Plan should show the location, bounds, and sizes for all plant materials, including existing trees from the tree survey (with sizes and species indicated), mulches, planting beds, berms, non-living ground covers, other miscellaneous landscape materials and irrigation. For all plant materials -- including existing and proposed trees, shrubs, vines and ground covers -- graphically depict each in a scale representation equal to the mature plant material size and label each type using the botanical name for genus, species and variety. Provide a separate listing on the Landscape Plan, or an attached sheet, that associates a plant material symbol with the specified plant size, in height, spread, container size, botanical name, common name and quantity to be used.

Plant materials should be of a mature size at installation. Large canopy forming trees may be required in addition to shrubs and groundcovers that are of a large size.

The Landscape Plan must show the areas to be covered by grass lawns, patios, and other structures versus the areas to be left in a natural state. All grass is to be installed as sod, as opposed to seeding the area. The ARB reserves the right to disapprove any type of grass it feels is unsuitable for planting in a certain location. In addition, property owners are responsible for landscaping and maintenance of landscaping from property lines to the roadway. Particular attention should be given to the appearance of the structure between ground level and first floor. In so far as possible the change from foundation wall to siding should disappear with the landscape installation. Artful use of planting

high above the ground. Two horizontal 2 x 4s should be attached to these posts - one at top and one 2' down from top. Variations on this standard will be considered on a case-by-case basis.

4. The size of the tree protection zone may be adjusted at the discretion of the Administrator. The tree protection zone is determined by the size of the tree canopy and environmental/construction.

Tree Damage Repair

Any tree damaged during construction, or damage occurring as a result of such construction, shall be repaired to the satisfaction of the Administrator according to accepted International Society of Arboriculture practices. Tree damage must be repaired prior to the issuance of a SLARB Certificate of Compliance.

Tree Damage Penalty

1. The intent of this section is to emphasize the importance of trees to be saved, maintaining the park like setting of Sapphire Lakes. All trees to be saved shall be maintained in an undamaged condition. Accidental damage due to dead trees falling, equipment breakdown, or any act on the part of the contractor and/or owner deemed by the SLARB to be unavoidable would not warrant a penalty. However, the owner will be liable for consistent accidental damage to existing trees.

2. Damage due to improper location of utility trenches or ditches will not be considered accidental. The owner will be responsible for damage on the part of the Contractor, whether by method of excavation, use of improper equipment, incompetence of any operator or failure to properly inform operators as determined by the SLARB.

3. All trees on site shall be saved except those specifically marked for removal with a red ribbon and on an ARB approved site plan/tree survey. No tree, either those marked for removal or any other tree may be removed prior to the SLARB's inspection and written approval.

4. Trees will be rated by the SLARB as to species, condition, and site importance with the following figures acting as maximum penalties and the minimum penalty amounting to no less that one-half these figures.

TREES PENALTY SCHEDULE

Caliper at 4' above ground	Max. Penalty per Tree		
	PINES	OAKS	OTHER HARDWOODS
6" - 8"	\$ 600	\$ 2,000	\$ 1,000
8" - 10"	\$ 750	\$ 2,500	\$ 1,250
10" - 14"	\$ 1,500	\$ 5,000	\$ 2,500
14" - 20"	\$ 2,000	\$ 6,750	\$ 3,500
20" and Larger	\$ 2,500**	\$ 8,500*	\$ 4,500**

* plus \$ 500.00 per inch over 20 inches.

** plus \$ 250.00 per inch over 20 inches.

NOTE: Pines over 24 inches are valued the same as oaks.

NOTE: In addition to penalties, mitigation may be required.

G. INSPECTIONS

The ARB Administrator, members of the Board and/or other ARB inspectors or representatives must and will conduct a series of on-site inspections - prior to construction, while construction is in progress, and when construction is indicated by the owner or builder to be complete – as follows:

1. Stake-Out and Tree Marking Inspection

An ARB representative must visit a prospective job site to verify proposed structure positioning, setbacks, and necessary tree removal **before** the Administrator may present a permit application to the Board for review and approval. Permit applicants are, therefore, urged to complete construction stake-outs (as described below) prior to submitting their permit applications to ARB or at least eight calendar days prior to the Board meeting at which application review is desired. Failure to complete the needed stake-out in a timely manner will result in deferral of the Board's consideration of a building permit application.

For all construction where the removal of any trees is contemplated, the permit applicant is responsible for placing a red tape band on all trees, irrespective of site location or condition, that are designated for removal. **No other trees should be marked or banded** since such can be confusing both to the ARB inspector and to the ARB members and adjacent property owners reviewing the project.

In doing the stake-out for new buildings, it is essential that all property corners be staked and labeled, and that **all property lines** be shown by strings between corners. This is the only way the ARB inspector can verify the perpendicular setback of building corners or sides from the nearest property line. The "footprint" of each separate building planned, including above-grade decks, should be shown with stakes on each building corner and with strings marking the entire perimeter. The boundary of driveways and walkways should be marked by short blue or yellow flags set on approximately four-foot centers to assist in verifying needed tree removal.

Though the stake-outs for additions to existing homes can be a bit simpler, the ARB inspector must nevertheless be able to quickly and accurately verify setback conditions and tree removal needs

during his site visitation. For swimming pools, the perimeter of the pool deck must be staked and strung.

2. Clearing Inspection

Prior to issuing the clearing permit, a site inspection is required with the builder present to review the tree marking and site conditions. Upon completion of clearing, an inspection for tree removal and tree damage will be done. If tree damage has occurred or if trees designated to remain have been removed, penalties will be assessed and must be paid before construction can continue.

3. Foundation Survey

A foundation survey and a finished floor certificate by a registered surveyor is required to indicate the proper placement of the building on the site. This survey must be completed after the foundation is in place, prior to framing and delivered to the ARB. Failure to deliver the as-built foundation survey or a finished floor certificate prior to framing will result in a **STOP WORK** order and a **penalty of \$500.00** which must be paid before framing can continue.

4. In-Process Compliance Inspections

Throughout the construction period, job sites will be inspected frequently by ARB inspectors and Board members to determine continuing compliance with ARB regulations and guidelines, special permit conditions, if any, and with the ARB-approved construction plans. Special attention will be given to noting site cleanliness and orderliness. It is important to note that the ARB Administrator has the authority to issue a verbal "Stop Work" order to the builder for any issue of non-compliance noted during in-process inspections. Failure of any ARB inspector to detect or object to an unauthorized design change or other non-compliance matter during the construction process does not relieve the owner and/or builder of any obligation to correct the non-compliance.

5. Final Inspection (Clean-Up and Compliance)

This inspection will be scheduled when the builder notifies the ARB office that:

a. Construction is completed pursuant to the ARB-approved plans. If unapproved changes from the plans are observed at inspection, the applicant will be charged a **minimum of \$500.00** and **required to submit as-built plans** for approval. The ARB shall be entitled,

should the as-built plans be disapproved, to require the removal or correction of any work in place which does not comply with the originally approved plans and specifications at the Owners expense.

b. A standard house sign has been installed in accordance with CSA requirements;

c. All waste containers, portable toilets and temporary utility poles have been removed, and

d. The job site is clean, and

e. Any damage to right-of-way, common areas and adjacent properties has been completely repaired, and

f. All signs and permits have been removed, and

g. A Certificate of Occupancy has been issued by Transylvania County and a copy has been received by the ARB, and

h. All vertical surfaces are painted an approved color. If the ARB inspector finds all of the above to be correct, and if no exterior design or color changes are noted and landscaping has been installed as approved, this final inspection shall be considered approved. Then a refund of the Escrow Deposit will be made.

The Architectural Review Board, in its sole judgment, will determine at this final inspection of the landscape installation if the Landscape Plan **design intent** has been met. This holds particularly true for landscaping that is used for screening purposes.

When the ARB inspector verifies that the landscaping has been appropriately and reasonably completed, the Escrow Deposit will be refunded (less penalty deductions, if any), and the project is deemed complete.

6. Certificate of Completion

Prior to occupancy, all new owners must apply for a Certificate of Completion from the ARB. This certificate is issued by the ARB staff and certifies that the project has been completed according to the approved plans including plans for the structure as well as plans for the landscaping. A minimum of two working days notice is required for ARB staff to coordinate this inspection. All elements for completion as detailed in #5 above.

SECTION II EXTERNAL AMENITIES

FENCES & WALLS

Fences are generally discouraged, but where planned, must be approved by the ARB. In general, permitted fences are usually limited to those which enclose utility areas. The Board will consider applications for fences or walls on a case by case basis, aesthetic considerations being paramount. All fences and walls should be planned with appropriate landscaping to soften the overall visual impact.

Fence Setbacks

The minimum distance from property lines for which the ARB will consider fence applications are:

1. Streets: Normally 15 feet from a property line paralleling a street, though the ARB may adjust (increase or decrease) this setback where the street pavement is very close to, or distant from, the property line.

2. Side Property Lines: Normally a three-foot minimum fence setback, except in the following situations:

Where an easement (for drainage, walkway or utility purposes) exists, the minimum setback may be greater, based on a case-by-case evaluation by the ARB. If the Board allows placement of a fence within an easement area, it will be with the understanding that future use of, or access to, the easement could require relocation of the approved fence by the owner and at the owner's expense.

3. Property Abutting Golf Fairways and Open Space: In order to protect views, fences are seldom approved in these situations, and only with the following considerations;

- a. Fences parallel to side property lines require specific ARB evaluation based on type of lot and location.
- b. On those lots abutting golf fairways no fence should extend more than 50 percent of the distance from the rear of the principal building structure to the rear lot line.
- c. On golf fairway lots, however, fences must be set back a minimum of 30 feet from the golf course property line.
- d. On property abutting "open space", a minimum three-foot setback from the line involved is required.

4. Fences Parallel to Front or Rear Property Lines: Usually privacy fences, these should extend no more than one-half the width of the lot.

Fence Height

Rarely will a fence height greater than six feet above finished grade be considered. Extensive fencing, such as around swimming pools, should generally be restricted to three or four feet high. The maximum of six feet will be considered by the ARB only for special cases. The design of a fence should take the topography of the lot into consideration and special care should be taken to design a fence that presents a level top and avoids a "step down" design which is generally aesthetically unpleasing.

Fence Materials and Colors

Preferred materials of construction include wood board or masonry, whose style and color are selected to match or complement the principal house structure siding or to blend into the natural landscape setting. Chain-link and other wire mesh fencing is discouraged; and if approved for use, will require immediate and extensive "vertical" landscaping to screen such fencing from view.

DRIVEWAY ENTRANCE GATES

Driveway entrance gates normally will not be permitted. However, such gates may be approved by the ARB, on a case-by-case basis. No driveway gate equipped with automatic or remote actuation controls or with any power actuation mechanism (i.e., hydraulic or pneumatic cylinders, or electric drive) will be approved.

EXTERIOR LIGHTING

All exterior lighting must be approved by the ARB prior to installation

DECKS, PATIOS AND TERRACES

The design of decks, patios and terraces must be coordinated with the design of the residence. These spaces add a great deal to the outdoor "livability" of a home, and can provide a high degree of privacy when bordered by dense natural vegetation and/or appropriate landscaping.

Grade-level patios and decks, i.e., those which are no higher than 24 inches above the average existing pre-construction grade at the nearest property line, are considered "horizontal structures". Elevated decks and terraces, i.e., those for which any part of the structure is more than 24 inches above average existing (pre-construction) grade, must be treated as "vertical structures" and are, therefore, subject to the same setback distances as for house walls.

All open spaces beneath an elevated deck must be closed with lattice or other form of "open air" paneling between the outermost vertical posts or piers, and such vertical surfaces are to be screened by landscape planting.

All exposed vertical elements of a wooden deck or terrace, including benches, railings, and below-deck outside structure, must be stained/painted to match the house siding. If left unpainted, bare pressure-treated wood usually used in such structural units weathers to a color that is unattractive, obtrusive and incompatible with the house coloration. Stains and paints that can be used on new pressure-treated wood are commercially available locally, so delay to allow "aging" of the wood is unnecessary.

SECTION III OTHER GUIDELINES FOR EXISTING RESIDENCES

The primary purpose of the Sapphire Lakes' restrictive covenants is to regulate the creation **and maintenance** of a community which is aesthetically pleasing and functionally convenient for all residents and visitors. Applicable covenants charge the Architectural Review Board with the responsibility for monitoring the maintenance of single family residences and associated grounds. This section provides further information and guidelines for use by the owners of existing homes in Sapphire Lakes.

A. EXTERIOR REPAINTING OR RE-STAINING

The exterior surfaces of homes must be properly maintained. Badly mildewed and/or faded exterior surfaces must be washed and re-stained/repainted as necessary. When you find it necessary to re-stain or repaint all or part of the exterior of your house or an auxiliary structure, **before** you undertake such work, you must first request and obtain **written** approval from the ARB – **even if you intend to utilize exactly the same color(s)** now existing on your house. Certain exterior colors which may have been approved for a given house five, ten or more years ago – such as dark reddish browns for siding may no longer be considered acceptable colors by the Board. Further, you should not simply assume that the siding or trim colors existing on another house within Sapphire Lakes were approved by the ARB for that house or may be automatically used, without prior ARB approval, for your own house.

The exterior colors of buildings should blend with the surrounding environment and not contrast with it. Thus, earth-tone colors are deemed most appropriate. Two-tone color schemes (i.e., where siding and trim colors are to be different) should use both colors of the same hue to provide apparent shadow lines or sun/shade/shadow relationships. In such cases, high contrasts between the two colors should be avoided. White, or very light colors will not be permitted – except for limited trim work on unique architectural situations -- because they contrast with the natural setting. The use of three (or more) exterior colors are a difficult design task to accomplish correctly and will be studied carefully by the ARB.

A display of "pre-approved" colors is maintained in the ARB offices in order to simplify your color selection.

To obtain ARB approval to re-stain or repaint any part of the exterior of your home, please submit a written request, to the ARB offices at least five (5) working days prior to the contemplated start of work. Actual color samples (on wood or stucco, as appropriate) must be submitted, for each separate color to be used, along with your request unless an ARB "pre-approved" color is to be used. These samples are important to both the property owner and the Board in evaluating the true finished appearance of the house since small "color chips" often vary greatly from actual applications. A photograph of the home to show locations and proportions of colors is also highly recommended. No application fee is required to obtain the ARB approval for re-staining/repainting.

B. ROOF REPAIR OR REPLACEMENT

Roofs and rain gutters or diverters must be kept clean of debris.

If you need to replace missing roof shingles or otherwise repair a portion of the roof of your residence, you must do so with shingles of exactly the same color and materials as existing. Replacement wood shake shingles will obviously be lighter than existing ones until weathering occurs, and such is deemed acceptable. Approval by the ARB for minor roof **repairs is not required.**

When you wish to **replace** the roofing of your house or a detached building:

1. If the existing roofing is wood shake/shingle, and you intend to replace it with the same type of wood shake, you must submit a request for ARB approval.
2. If your existing roofing utilizes asphalt/fiberglass shingles of either "Weathered Wood" or "Slate Blend" colors, you may likewise utilize the same materials and same color but must submit a request for ARB approval, so long as you utilize fungus-resistant shingles with a minimum weight of 300 pounds per square, as is required for all new Sapphire Lakes residences.
3. If you want to replace existing asphalt/fiberglass shingle roofing of any color other than Weathered Wood or Slate Blend, or if you want to change the color or materials in your new roofing, you must request ARB approval for such work at least five (5) working days prior to the intended commencement of roof work. Unless you intend to use asphalt/fiberglass shingles of the GAF Timberline or Elk Prestique series, a sample of the roofing material to be used must be submitted with your request. No application fee is required.
4. When any roof addition or extension of an existing roof is made, the existing roof must be re-shingled to the nearest valley, or roof break, so as to insure continuity of color.

C. TREE REMOVAL OR PRUNING

Pruning is permitted on any tree in Sapphire Lakes by the landowner on his or her property provided that pruning is done according to guidelines of the International Society of Arboriculture on trees more than six inches in diameter measured three feet above existing grade. **Removal of more than 30 percent (30%) of the leaf surface at one time will be considered tree removal, and will be treated as such.** Removing the top of any tree more than 6 inches in diameter will be considered unauthorized removal of a tree and will carry all the penalties allowed by the guidelines and covenants.

Along golf course lots, and other lots deemed significant for aesthetic tree preservation by the ARB (at their sole discretion), tree removals for any reason whatsoever - including new home construction - may require mitigation with large trees of significant size (30 feet and greater in height) for the aesthetic purposes of maintaining a tree lined buffer in keeping with Sapphire Lakes developed character in these sensitive areas.

However, the extensively wooded setting of Sapphire Lakes -- with its tall, stately pines, beautiful oaks and many other tree species -- is a situation which our community strives to preserve. Under the Restrictive Covenants of Sapphire Lakes, **NO TREE MEASURING 6" OR MORE IN DIAMETER -- MEASURED AT BREAST HEIGHT (FOUR FEET ABOVE EXISTING GRADE) -- MAY BE REMOVED FOR ANY REASON WITHOUT PRIOR WRITTEN APPROVAL** by the Architectural Review Board.

Therefore, you **should not remove any tree (6" or larger diameter) regardless of species, condition or location**, unless you first obtained the required **written** approval by the ARB. Failure to obtain such approval will subject the offending property owner to the prescribed damages and mitigation of new trees to replace those removed without permission. The Board cannot and will not accept any after-the-fact excuse or explanation that a tree was diseased or dead, etc. The Board's (independent consultant) representative must inspect and verify the basis for removing **all** trees meeting the above criteria in Sapphire Lakes.

You may request approval for tree removal from the ARB office simply by calling (828) 966-9200, Monday through Friday, 9:00 A.M. - 5:00 P.M. at least three working days in advance of any contemplated tree removal work. There is a nominal fee to cover costs charged by the independent consultant.

The ARB will consider removal of any tree whose trunk is touching, or nearly touching, a roof eave, or whose root system is causing observable structural damage, e.g., to driveways, fences or building walls. Dead, diseased or damaged trees that in the opinion of the tree inspector cannot be treated or saved may be approved for removal by the ARB.

The Board views negatively any requests for tree removal wherein the sole basis for such request(s) is to allow more sunlight to landscape areas and/or to minimize leaves or pine straw blowing into a driveway. Additionally, the Board will deny approval for tree removal when such request is based solely on a property owner's concern that a storm or hurricane might cause a large tree to fall onto a residential structure. In the history of Sapphire Lakes, such occurrences have been very rare.

D. RESURFACING OR RESHAPING DRIVEWAYS

Seal coating, patching or overlay resurfacing of an existing asphalt driveway **does not** require ARB approval **so long as the configuration, size, color and location of the existing driveway are not changed**. Likewise, the replacement/removal of an existing asphalt or concrete driveway with the same material type and color may be undertaken without ARB approval or permit, again so long as there is no change in shape, size or location. If **any change** is to be made in the configuration or position of a replacement driveway, such action is deemed new construction, and an ARB permit application must be submitted for Board approval.

E. INTERIOR REMODELING

No ARB approval or permit is required for any interior remodeling of a structural, mechanical or electrical nature -- **so long as no exterior alteration (e.g., addition or change of windows or doors) is involved**. Note, however, that the exterior premises must be maintained in a neat and clean condition, with building materials neatly stacked and all trash and debris placed only in a waste dumpster on a site.

F. LANDSCAPE MAINTENANCE AND MODIFICATION

Every property owner is responsible for preventing the development of any unclean, unsightly, or unkempt condition of buildings or yards which will reduce the beauty of the neighborhood as a whole or the specific area. In landscaped

areas, bed and lawn areas must be maintained. In natural areas, weed growth must be controlled. Bedded areas which have been previously mulched with pine straw, bark, etc., must be kept weed free and clear of debris. Mulch should be applied periodically to maintain a neat, clean appearance. Dead plants must be replaced. Natural areas in the landscape are acceptable; however, tree limbs, and other unsightly vegetation must be removed. After ARB approval, dead and/or diseased trees must be removed and stumps removed to at least ground level. Driveways and walkways will be kept clean of debris. Lawn areas must be mowed regularly and maintained at a height of between one and three inches.

If a **major** change or upgrading of landscaping is contemplated, particularly in areas visible from adjacent streets, a landscape plan must be submitted to the ARB for approval prior to undertaking such work. Guidelines for landscape design similar to those for new residences should be followed in preparing the Landscape Plan.

Any proposed structural changes or additions to existing landscaping such as fences, decks, fountains, lighting, retaining walls, driveways, walks, landscape structures or statuaries represent new construction that must be approved by the Architectural Review Board.

Any changes to exterior lighting must be approved by the ARB.

A re-landscaping permit issued by the ARB will normally be **valid for 120 days**

SECTION IV DEMOLITION OF EXISTING STRUCTURES

Though rare, an existing residence may be severely damaged or destroyed by fire, storm action or other causes. However, in such event, the damaged structure must be demolished and removed from the property in a timely and orderly manner, which shall be non-offensive to neighboring property owners and according to a plan approved by the Architectural Review Board. An application for a Demolition Permit must be submitted to the ARB within 60 days of the occurrence of the damage, and no clearing or demolition work shall begin before a Demolition Permit has been issued by the Board. This requirement exists whether the demolition work is a prelude to repairing/rebuilding the damaged structure or is to completely raze the structure prior to resale of the property as an undeveloped lot.

Additionally, a property owner desiring to remove an existing undamaged residential structure before either constructing an entirely new house or selling the property as an undeveloped lot must likewise obtain a Demolition Permit from the ARB prior to commencement of any demolition/removal work on the existing building(s), either of an interior or exterior nature.

A Demolition Permit issued by the ARB will normally be **valid for only 30 days** from date of issuance, unless an extension of time is formally requested and approved by the Board in advance. The purpose of the 30-day limitation is to minimize the time period during which neighboring residents will be disturbed or

inconvenienced by the noise, dust and vehicular traffic associated with the demolition work. Therefore, requests for extending this period will necessitate very explicit justification.

Additional rules and guidelines for demolition include, but are not necessarily limited to, the following:

A. Owner or contractor must submit an application including the appropriate fee, a tree and topography survey for the property.

B. Prior to beginning demolition the contractor must schedule an on site meeting with the ARB administrator to review the site and determine the required tree protection and any other site requirements. The demolition permit will then be issued and demolition can begin. The ARB administrator will inspect the project upon completion of demolition to evaluate the site including fill/grading and any unauthorized tree removal or damage. All potentially affected utilities (e.g., water, sewer, electric, telephone, cable TV) shall be notified by the contractor to permit flagging or clearing of lines by the utility companies involved. Failure to do so could result in the inadvertent disruption of power, water, etc. to neighboring properties due to damage of utility lines by uninformed demolition workers.

C. No trees, of any size or species, or native plants shall be removed during the demolition process without specific written approval by the ARB. Also, extreme care must be taken to avoid damage to remaining trees.

D. Demolition work must be total and complete; and no part of a demolished structure, including foundations, driveways, walkways, etc., may be left unless so indicated on a plan approved by the ARB.

E. All debris must be placed in waste dump boxes or removed prior to the end of each work day.

F. The site must be restored to a near-natural state with approximate natural grade. All depressions and excavated areas are to be filled and graded to avoid pooling of rainwater. Also, all bare earth areas are to be covered with pine straw to preclude blowing dust, unless new construction will commence immediately after demolition.

Other specific guidelines or constraints may be imposed as conditions of the Demolition Permit issued by the Board.

D. A portable toilet must be placed on a job site, for use by all workers on that project, **prior to the start of any work**. The only exception to this requirement is in the case of building additions or alterations where **full-time access** to working interior toilets is granted, and is available to all workers, by the owner of the existing residence being modified.

The required "portable toilet" is defined as an upright, enclosed unit which must be placed outdoors (i.e., outside of any building footprint) on the job site – as far back on the lot as possible (but no less than 25 feet from the street) with the door facing away from the street and adjoining houses. The use of camping-style portable toilets is strictly prohibited within Sapphire Lakes

All portable toilets must be emptied, cleaned and chemically treated regularly (not less than once per week) to prevent offensive odors or appearance.

E. Construction shall be in strict accordance with the drawings, site plans, materials and colors submitted to and approved by the Architectural Review Board. **NO EXTERIOR CHANGES MAY BE MADE WITHOUT PRIOR WRITTEN APPROVAL FROM THE ARB**. This includes exterior materials or colors, or doors and windows (number, location, style or size).

F. All motor vehicles -- including those belonging to the builder, his subcontractors or suppliers, and workers' personal vehicles -- must be parked off-street and only on the project property. Where conditions do not allow such to occur, the builder must arrange **in advance** for an alternative jointly with Sapphire Lakes neighboring property owners. The builder and property owner are responsible for seeing that all construction workers and suppliers obey all traffic and security regulations of Sapphire Lakes

G. Maintenance of a clean and orderly building site is imperative throughout the term of the project. The builder must provide at least one suitably sized trash receptacle at the job site prior to starting any work. Trash shall be placed directly into these containers, and at the end of each day the builder shall assure that any loose litter/trash is placed in the containers. The containers must be emptied as often as necessary to assure that trash does not spill or blow out. All trash, debris and litter shall be removed from Sapphire Lakes.

All vehicles used to haul trash, fill dirt, debris, building materials, etc., must be equipped with a net or cover to contain loose material and configured/loaded so as to prevent any spilling. If any spillage does occur within Sapphire Lakes it must be removed by the builder

All construction materials must be kept within the property lines, maintaining a clear street right-of-way. Burning of trash and unused building materials is not allowed.

Failure of the builder to properly maintain site cleanliness may, after notice from the ARB, result in assessment of established penalties and/or clean-up being done by others designated by ARB with the cost of such deducted from escrow funds deposited by the builder.

H. Construction Signs

1. Only one sign each may be erected at the construction job site by the builder (general contractor) and by the architect/designer, if different. Subcontractor, pool contractor and landscape contractor signs are **not allowed**.
 2. No signs may be placed at the job location until after both building permits are issued. Then, both such permits are to be posted simultaneous with and in close proximity to the placement of the builder's sign.
 3. The single allowable builder's (and architect's) sign is to be **located only at and facing the front street** of the house being constructed or altered. In no event is any sign to be placed on the golf course side of the lot or on a side street for better "advertising" purposes.
 4. All signs and building permits posted at the job site must be removed **prior to the earliest of:** (1) building occupancy by any persons, even temporarily; (2) exterior completion including landscaping; or (3) final inspection by an ARB representative. In no event may a builder's (or architect's) sign remain after one year from the date of Building Permit issuance.
- I. The builder is responsible for providing water and electrical service at the job site **prior to starting any work that requires their use**. Obtaining water or electricity from neighboring properties is prohibited. Temporary utilities should be installed in a neat manner. The temporary power pole must be installed plumb and will not be utilized for the placement of signs or permits.

J. Loud extraneous noises are not permissible. Thus, no loud playing radios or musical devices or loud, profane language will be tolerated. All workers, including subcontractor and supplier personnel, shall be informed by the builder about this requirement.

K. Final grading shall include drainage swales, berms, culverts or other appropriate provisions whenever the construction adversely affects the drainage of the natural watershed or causes runoff to adjacent properties.

L. Any damage done to roadways, walkways, or golf cart paths, or to adjacent properties during the course of a project – and no matter whether caused by the builder's employees or equipment or by those of subcontractors or suppliers -- must be repaired by the builder prior to construction completion.

M. A building or building addition may not be occupied by any persons, even on a temporary basis, until after the builder or owner has obtained a Certificate of Occupancy from Transylvania County and has delivered a photocopy thereof to the ARB.

N. The ARB has the right to enter and inspect the premises, from time to time at its sole discretion and without prior notice, in order to verify that work is proceeding in accordance with approved plans. An ARB inspector may enter and inspect the construction when it is safe to do so and without interference to work in progress. The ARB Administrator has the authority to issue a "stop work" order if construction is observed to be non-compliant with ARB-approved plans or ARB policies.

O. Unless an extension is approved in writing by the ARB, all residences must be completed and a Certificate of Occupancy issued by Transylvania County within one (1) year from the date construction has commenced on a lot. The date of construction commencement shall be the date a valid Sapphire Lakes building permit issued to the builder(general contractor) responsible for construction.

P. The builder is not allowed to use or trespass upon neighboring lots or Sapphire Lakes Common Property, except for the property between the public road pavement and the residential property boundary. If it is not possible to perform the construction work without using other Common Property for access, the applicant may request permission to do so. If permission is granted, it shall be included in the Building Permit Agreement. Permission to use privately owned property must be obtained by the builder **in writing** from the owner of such property.

Q. Storage trailers or other temporary structures may not be placed upon the lot during construction except with the written consent of the ARB. The Board's consent will be based upon the applicant's proof of the need for the structure and the acceptability of its configuration. Authorized temporary structures shall at no time be used for living quarters, and they shall be removed prior to occupancy of the building.

R. No fishing or hunting by construction workers is permitted within Sapphire Lakes. Workers are to remain on the project site or on public roadways at all times. No animals or pets of construction workers or of any persons associated with the job shall be allowed within Sapphire Lakes.

SECTION VI PENALTIES FOR NON-COMPLIANCE

Prior to the issuance of a Sapphire Lakes permit for a new residence or for additions to an existing one, the owner and/or builder must submit to the Architectural Review Boards escrow deposit:

Compliance and Clean-up Deposit

This security deposit is intended to motivate and ensure that construction is implemented in strict accordance with: (a) ARB-approved construction plans, (b) rules, guidelines and covenants, and © any special conditions of the Building Permit; and that the construction site is maintained in a neat, clean and relatively quiet manner so as to minimize disturbance or nuisance to neighboring property owners. Failure to comply with the above-stated conditions can and will result in significant financial penalties being imposed by the Board, and which will be withheld (deducted) from refund of the subject escrow deposit.

Minimum security deposits are as follows:

New Houses - \$5000.00

Additions - \$ 500.00 **(MINIMUM)**

To further remind the builder and owner of their respective responsibilities and exposure to the ARB's non-compliance penalties, prior to the issuance of any Building Permit, **both** the owner and the builder must sign a Building Permit Agreement which includes the following language:

"The owner and/or builder hereby acknowledge that the funds so deposited will further be deposited in an interest bearing account with a federally insured institution, with all interest therefrom accruing to the benefit of the SLARB. The owner and/or builder further acknowledge and agree that such funds shall be retained by SLARB for satisfactory completion of the Project in accordance with construction drawings approved by the Board and with other SLARB rules or conditions. The owner and/or builder further acknowledge that the Board shall have the right to assess penalties against the owner and/or builder for failure to complete the Project

on a timely basis, or failure to construct the Project in accordance with the approved construction drawings, or failure to comply with other rules or conditions noted herein. Such penalties, which may be established and periodically modified by SLARB can be deducted from the funds deposited by the owner and/or builder, but without further accounting to the parties involved. Outside legal expenses or surveying costs incurred by SLARB attempting to resolve any matter of non-compliance shall likewise be deducted from funds deposited by the owner and/or builder. Retention by SLARB of such funds, legal fees or surveying costs from funds deposited by the owner and/or builder will not in any way relieve those parties of further liability for non-compliance."

Specific non-compliance penalties currently enforced by the ARB are shown in the Building Permit Agreement, Attachment A thereto, which the owner and builder also must sign prior to Building Permit issuance.

SECTION VII APPEALS

THE ARCHITECTURAL REVIEW PROCESS

The Covenants establish and describe the architectural review process for improvements to property. The role and authority of the Architectural Review Board (ARB) are defined in the Covenants, as is the right of property owners to appeal, through arbitration, the ARB's final disapproval of architectural plans or any conditions or actions imposed or required by the ARB.

The Architectural Review Board Arbitration Guidelines described in this document have been instituted to clarify and facilitate the appeals process. The arbitration process described in these Guidelines is the sole means for property owners to appeal final ARB determinations. The Guidelines have been instituted under the authority granted the ARB in the Restated Covenants to modify or add procedures to facilitate the performance of its duties.

PROPERTY OWNER OBLIGATIONS

The Covenants are incorporated by reference in the deeds to all property. Each owner, by purchasing property, enters into an agreement to be governed by Covenant requirements. An application for a Building Permit constitutes a further agreement to conform to the Architectural Review Process including adherence to the Arbitration Guidelines described in the following sections.

REVIEW STANDARDS - SCOPE OF ARB DECISIONS

The Restated Covenants reserve to the ARB a wide range of latitude in approving or disapproving plans submitted for approval. Decisions may be based on any reasonable grounds consistent with the broad objectives of the Covenants, including the following:

- Size (square footage, height, mass and scale);
- Siting of structures, including setback requirements;
- Placement and number of parking spaces
- Aesthetic considerations of harmony and suitability of overall design, including color and construction materials;
- Landscaping and preservation of significant trees or other unique vegetation;
- Exterior lighting and drainage;
- Auxiliary amenities such as pools, fences;
- Effect on neighboring properties; and
- Appearance of the property from public or private roads.

The Covenants grant the ARB full authority to approve or disapprove plans based on subjective or aesthetic judgements and based on objective, quantitative grounds. This authority is limited only by the requirements that the architectural review process may not be conducted in an arbitrary or capricious manner. It would be arbitrary or capricious, for example, for the ARB to apply substantially different standards to similar cases reviewed during the same period of time. Nevertheless, the Covenants make clear that any approval of a plan which, when built, is not considered desirable for future construction, shall not be considered a precedent requiring the ARB to approve similar plans on subsequent submissions.

MATTERS SUBJECT TO ARBITRATION

It is not the intention of the arbitration process to enable the arbitrators to substitute their own subjective or aesthetic judgements for the prior judgements of the ARB. The arbitrators shall limit their rulings to determining whether or not the ARB conducted its review in an arbitrary and capricious manner. The appellant shall have the burden of proving, to the satisfaction of the arbitrators, that the ARB did act in an arbitrary and capricious manner.

Only if the arbitrators conclude that the actions of the ARB were arbitrary and capricious, shall the arbitrators require the ARB to approve plans or to take such other actions the arbitrators deem appropriate. If the actions of the ARB are not determined to have been arbitrary and capricious, the arbitrators must affirm the decision of the ARB, even if they might not have reached the same decision if the decision were theirs to make.

CHOICE OF LAW

Arbitration shall be conducted generally in accordance with the Uniform Arbitration Act.

STEPS LEADING TO ARBITRATION

Upon receiving written notice from the ARB disapproving plans or any portion thereof, or imposing conditions, the property owner receiving such notice (the "Applicant") must first apply to the ARB for reconsideration (the "Request for Reconsideration"). The Request for Reconsideration shall be in writing to the ARB Administrator. Upon receipt the ARB shall either: (i) deny the Request for Reconsideration; (ii) approve the Applicant's plans as previously submitted; or (iii) modify its previous decision. The ARB shall have sixty (60) days to consider the Request for Reconsideration.

If the Request for Reconsideration is denied or the Applicant refuses to accept the modifications proposed by the ARB, then the applicant shall make an appointment to meet with the Board at a regularly scheduled meeting to discuss the project and determine if a compromise can be reached to allow approval of the project. The Architect or Designer of the project must also attend the meeting.

If the meeting does not result in an acceptable plan being developed, and the applicant intends to proceed with arbitration, the applicant shall notify ARB of that intention by filing an appeal. The Appeal Notification shall include a written statement, together with the name, address and phone number of the representative the applicant has selected to make the presentation to the Arbitration panel.

COSTS

The Applicant shall pay all costs of arbitration proceedings, including, but not limited to, all costs and/or fees of the three arbitrators, all costs by ARB staff in preparation for the arbitration hearing and all costs of recording the arbitration hearing and preparing a transcript thereof. A deposit of \$10,000.00 will be required at the time the Appeal Notification is submitted. These funds shall be used exclusively to cover the cost described above. Any costs which exceed the initial deposit will be billed to the applicant as they are incurred, and must be paid within 30 days. No final decision of the arbitrators will be filed until the applicant has met all costs of the proceeding. Any balance from the applicant's deposit will be refunded to the applicant within 30 days after all expenses have been paid.

APPOINTMENT OF ARBITRATORS

Within thirty days of receipt of the Applicant's Appeal Notification and deposit, the ARB shall notify the American Arbitration Association to request the appointment of three neutral arbitrators.

TIME AND PLACE OF HEARING

The time and place of the hearing shall be determined at the sole discretion of the ARB Administrator, but in any event shall be not later than sixty (60) days

after the ARB has confirmed the appointment of the arbitrators, that the issues presented are subject to arbitration, and that the Applicant has conformed to the procedure set forth above. Each hearing shall be limited to not more than ninety (90) minutes in duration with the Applicant and the ARB being allotted thirty (30) minutes each to present their respective positions unless otherwise extended by the Chairman.

APPOINTMENT AND DUTIES OF CHAIRMAN

The three arbitrators shall appoint one arbitrator to act as chairman of the panel (the "Chairman"). The Chairman shall be responsible for procedural decisions during the course of the hearing, tabulating the arbitrators' vote on the issues presented, and communicating in writing the decision of the arbitrators to the ARB and Applicant(s), as provided below.

NOTICE OF HEARING

The ARB Administrator shall serve notice upon the parties personally or by certified mail not less than five (5) days prior to the hearing. Appearance at the hearing waives such notice.

REPRESENTATION BY COUNSEL

A party has the right to be represented by an attorney at any proceeding. A waiver of this right prior to the proceeding or hearing is ineffective. In the event an Applicant intends to be represented by an attorney at the initial proceeding, notice thereof will be included in the Appeal Notification.

DISCOVERY

Consistent with the expedited nature of arbitration, each party will, upon the written request of the other party, promptly provide the other with copies of documents relevant to the issues raised. Neither party shall have the right to depose witness. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by a majority of the arbitrators, which determination shall be conclusive. All discoveries shall be completed within ten (10) days of the appointment of the arbitrators.

ADJOURNMENT OF HEARING

The arbitrators may adjourn the hearing from time to time as necessary and, on request of a party and for good cause, or upon their own motion, may postpone the hearing to a time not later than the date fixed by the Chairman unless the parties consent to a later date.

EVIDENCE AT HEARING

The parties are entitled to be heard and to present evidence material to the controversy and to cross-examine witnesses appearing at the hearing. The parties shall answer any questions posed by the arbitrators.

SCOPE OF REVIEW

The arbitrators shall determine issues of fact only. The arbitrators shall not determine questions of law. Questions of law include, but are not limited to, interpretation of covenants.

NO DAMAGES AVAILABLE

The arbitrators shall not award consequential damages in any arbitration.

MAJORITY DECISION REQUIRED

A final determination in the arbitrated matter shall be made by a majority of the arbitrators. Such decision shall be binding on all parties.

FINAL DETERMINATION

The arbitrators shall make their final determination within ten (10) days after the hearing. The arbitrators shall put the final determination in writing signed by the arbitrators. The Chairman then shall deliver a copy to each party personally or by certified mail.

RECORD OF HEARING

A verbatim record shall be kept of the hearing and a written transcript prepared unless otherwise agreed by the parties and the Applicant shall be responsible for all costs of keeping said record, including, but not limited to, the cost of hiring a court reporter and preparing the transcript. Said transcript shall be made available to each arbitrator and each party as soon as available.

RIGHT TO MODIFY PROCEDURES FURTHER

Pursuant to the power granted to the ARB by the Restated Covenants, the ARB reserves the right to modify further and/or add to the procedures contained herein.

APPLICATION FEES

The following current schedule of fees is applicable to all residential building permit applications submitted to the Sapphire Lakes Architectural Review Board and the appropriate fees must be received prior to SLARB review of plans.

Permit fee for all applications

\$200

Road Impact Fee for New residences & Additions or Major Alterations

\$1,200.00

New single family residence (includes all amenities in initial application)

\$1,200 minimum (first 2,000 square feet)

Plus \$35 per 100 square feet for additional heated or covered space over 2,000 square feet up to 4,000 square feet.

Plus \$50 per 100 square feet for additional heated or covered space over 4,000 square feet up to 6,000 square feet.

Plus \$100 per 100 square feet for over 6,000 square feet

Additions or Major Alterations

\$500 for Additions less than 500 square feet (heated or covered)

\$600 for Additions less than 1,000 square feet (heated or covered)

\$800 for Additions more than 1,000 square feet (heated or covered) plus

\$35 per square feet for additional heated or covered space over 1,500 square feet.

Other Additions or Supplemental Applications

Decks & Gazebos	\$200
Fences, Walls or Service Yards	\$150
Demolition of Existing Structures	\$150
Driveways	\$100
Tree Removal (1-10 trees)	\$25
Tree Removal (over 10)	\$35
Major Landscaping	\$200
Additional Inspections	\$100
Each Change Request	\$100

Note: Minor exterior alterations (not changing the footprint, e.g., windows, doors, skylights) – fee to be determined by the Administrator at time of submission.

***Denotes that a Road Impact Fee of \$500.00 may be applicable.**

ESCROW DEPOSITS

The following escrow (security) deposits must be received by the ARB prior to issuance of a Sapphire Lakes Building Permit. Deposits will be refunded in full to the builder and/or owner, as applicable, after final inspection and approval by the SLARB representative-assuming no non-Compliance penalties have been assessed against the project and are to be deducted from the deposit before refund is made.

New Single Family Residence (includes all amenities in initial application)

Clean-up and Compliance \$5,000.00

Additions or Major Alterations

Clean-up and Compliance \$2,500.00

Garages/Carports

Clean-up and Compliance \$2,500.00

Minor Alterations or Other Additions(including decks, fences)
Clean-up and Compliance \$1,000

Demolition of Existing Structure(s)
Clean-up and Compliance \$4,000

Major Landscaping
Clean-up and Compliance \$2,000

September 22, 2007

Mr & Mrs John H Bailey
PO Box 25189
Columbia, SC 29224

Mr & Mrs Bailey;

The Architectural Review Board met on the 19th of Sept. 2007 to review projects for Sapphire Lakes. At that time we discussed the removal of the two trees and some of the native shrubs at your home at Cottages @2 and your new landscape plan.

First, we will address the landscape plan. It looks OK to the board, but it must be presented to and approved by the committee at Cottages @2. When that is done, we will then give our approval in writing.

The removal of the trees without permission, has resulted in a fine by the ARB board of \$600.00 and the request to replant two trees. This request is stated in our covenants & by-laws of Sapphire Lakes, of which I have enclosed a copy of, as well as other Documents for you to read. We have been made aware that you were informed, by letter and verbally, by some of your neighbors earlier, of the fact that all work must be first approved.

Please do not feel we are singling you out, as we have other members in the same situation. The Covenants and By-Laws must be adhered to the sole purpose to maintain the beauty of our wonderful community and keep our property values growing.

We would greatly appreciate a response within 30 days. Thank you.

Sincerely,

Linda Chandler
For the Sapphire Lakes ARB

Sapphire Lakes BUILDING PERMIT AGREEMENT
Architectural Review Board
Project Name & Number:

Date:

1. The construction of the Project will be in accordance with the construction drawings, site location, materials and colors submitted to and approved by the Sapphire Lakes Architectural Review Board (SLARB). NO CHANGES MAY BE MADE WITHOUT PRIOR WRITTEN APPROVAL FROM SLARB.

2. No work, including lot clearing, may be commenced until both the ARB Permit and a Transylvania County Building Permit have been issued and posted at the job site. NO TREES LARGER THAN SIX (6) INCHES IN DIAMETER MAY BE REMOVED UNLESS APPROPRIATELY MARKED ON THE APPROVED SITE PLAN. Trees over 6" in diameter that are not permitted for removal on any residential lot shall be protected against unnecessary damage resulting from any construction related activity. Damage shall include but not be limited to cutting, breaking, skinning roots, scarring and removal of bark, poisoning from oil, solvents, paints, etc. being poured into the soil. compaction due to parking of equipment and vehicles within tree drip line, and compaction due to the stockpiling of construction material or excavated materials within the free drip line.

The Owner and the Builder are jointly and severally responsible for providing the necessary precautions outlined below and for any damage or injury to existing trees not approved for removal.

- a. Prior to start of grading and construction, the owner is required to submit acceptable tree, topographic, and erosion control surveys and arrange a meeting with his construction team and SLARB to review the grading/construction plan.
- b. Prior to the commencement of any grading, construction, or tree removal, a tree protection zone for any tree located within the proposed grading, construction or tree removal site is to be established. Tree protection established by the erection of physical barriers and such barriers maintained until such work is completed. Four (4") inches of mulch may also be required around trees that are subject to compaction due to their close proximity to the work site.
- c. Placement and types of physical barriers shall be at the discretion of Sapphire Lakes. Generally a 2 x 4 fence needs to be installed at the tree canopy drip line. Vertical 2 x4 posts are to be installed 8' on center maximum and be 4' high above the ground. Two horizontal 2 x4s should be attached to these posts - one at top and one 2' down from top. Variations on this standard will be considered on a case-by-case basis.
- d. The size of the tree protection zone may be adjusted at the discretion of Sapphire Lakes. The tree protection zone is determined by the size of the tree canopy and environmental/construction factors that are typically not shown on a tree survey.
- e. The cleaning of equipment, storage of material or dirt, disposal of waste material such as paint, oil, solvents or other harmful substances, or any other such acts, which may be harmful to the continued vitality of the tree(s) within the tree protection zone, shall be prohibited. Utility trenches or ditches must be located to avoid damage to tree roots.

TREE DAMAGE REPAIR - Any tree damaged during construction, or damage occurring as a result of such construction, shall be repaired to the satisfaction of Sapphire Lakes according to accepted International Society of Arboriculture practices. Tree damage must be repaired prior to the issuance of a SLARB Certificate of Compliance. After clearing is complete, the SLARB Administrator will inspect the site for compliance with the approved plan.

STAGING PLAN - The Owner or Builder must contact the SLARB with a written staging plan for vehicles, materials & equipment after clearing and before the foundation is started.

FOUNDATION SURVEY - A copy of the as-built foundation survey must be delivered to the SLARB before the any wood framing construction is started. **Failure to comply will constitute a breach of SLARB rules and conditions.**

3. Escrow deposits as described herein (the Escrow Deposit) must be received by the SLARB before site clearing is started. The Owner and Builder hereby acknowledge and agree that the funds so received will be deposited in an interest-bearing account with a federally insured institution, with all interest there from accruing to the benefit of the SLARB. The Owner and Builder further acknowledge and agree that such funds shall be retained by SLARB pending satisfactory completion of the Project in accordance with construction drawings approved by the SLARB and with other SLARB rules or conditions required herein. The Owner and Builder further acknowledge and agree that the SLARB in addition to any other rights under the Covenants shall have the right to assess penalties against the Owner and/or Builder for failure to complete the Project on a timely basis, or failure to construct the Project in accordance with the approved construction drawings, or failure to comply with other terms or conditions herein. Such penalties, which are identified in Attachment A hereto, shall be deducted from the Escrow Deposits and retained by SLARB upon written notice to the Owner and Builder, but without further accounting to the parties involved. Any legal expenses or other costs incurred by SLARB in attempting to resolve any matter of non-compliance shall likewise be deducted from the Escrow Deposits. Retention by SLARB of such penalties, and other costs from the Escrow Deposits will not in any way relieve those parties of liability for non-compliance as herein provided.

4. No building, building addition or other improvement being constructed under this Agreement may be occupied by any persons, in any manner whatsoever, until the Owner has obtained a Certificate of Occupancy, has delivered a photocopy thereof to the Administrator of SLARB and has received a Sapphire Lakes Certificate of Completion which will be issued by SLARB after approval of a final inspection by SLARB.

5. The Owner shall submit an acceptable landscape plan, including all existing vegetation to remain, to the SLARB before clearing and construction is started. Upon approval of said landscape plan by SLARB, the owner shall cause the landscaping to be completed before Escrow Deposit is returned. The Owner shall submit an exterior lighting plan on a separate sheet at the time that the landscape plan is submittal. The lighting plan shall include cut sheets for all the fixtures.

The SLARB, in its sole judgment, will determine at the final inspection of the landscape installation if the approved landscape plan design intent has been met. This holds particularly true for landscaping that is used for screening purposes.

6. The Owner and Builder shall inform the SLARB when the Project is completed and ready for final inspection. The SLARB Administrator shall arrange for said inspection within 3 business days of the receipt of notification from the Owner or Builder. After final inspection approval, the Escrow Deposit will be refunded (less penalty and expense deductions, if any), and the Project will be deemed complete.

7. Other special conditions of this Agreement and the Building Permit include the following:

- a. Exterior flood light locations must be approved.
- b. The number of vehicles on the construction site at one time is limited to a total of six vehicles. And it will be necessary for the Owner or Builder to obtain additional parking facilities or plan for shuttle service to and from the site.
- c. Only two change requests during the construction will be processed without an additional application fee.

8. This Agreement expires one year after the Transylvania County Building Permit has been issued to the builder. Extensions of the one-year period for project completion will only be with prior written approval by the SLARB.

9. The Owner and the Builder will comply strictly with the terms of the Agreement and with the covenants, conditions, and restrictions applicable to the Owners property. Failure to comply with any of the same shall be grounds for:

- a. Imposing the within described fines.
- b. Instituting an action to recover any amount due which exceeds the Escrow Deposits, for damages, and/or for injunctive relieve. Should the SLARB employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys fees shall be paid by the violating Owner and/or Builder; and
- c. Inasmuch as the enforcement of the provisions of this Agreement is essential for the maintenance of the general plan of development for Sapphire Lakes and for the protection of all owners of property in Sapphire Lakes, it is hereby agreed by the Owner and the Builder that any breach hereof may not adequately be compensated by recovery of fines and damages, and that the SLARB, in addition to all other remedies, may require and shall be entitled to the remedy of injunction to restrain any such violation or breach or threatened violation.

10. The approval hereby granted shall not be construed as representing or implying that such plans, specifications or standards will, result in a properly designed Project. Said approval shall in no event be construed as representing a guarantee that the Project will be built in a good and workmanlike manner. The SLARB reserves the right to prohibit the Builder from the site in the event it determined that failure to comply with the approved plans is determined to be intentional or due to gross negligence. The Owner hereby agrees that the exercise of these rights shall not constitute a denial of the Owners

property rights and shall not give due cause of action for damages against the SLARB by the Owner or the Builder.

11. The SLARB reserves the right during reasonable hours to enter upon the Owners property described herein to determine whether or not the plans and specifications have been approved and are being complied with. In the event that SLARB shall determine that such plans and specifications have not been approved or are not being complied with, the SLARB shall be entitled to suspend further construction and require the removal or correction of any work in place which does not comply with the approved plans and specifications at the Owners expense.

12. Approved Exterior Colors & Materials

Roofing:

Wood Siding:

Siding (Stone)

Stucco:

Chimney:

Roofing:

Corner Boards:

Soffits:

Fascia, Trim:

Shutters:

Front Door:

Exterior Doors:

Garage Doors:

Windows:

Window & Door Trim:

Columns:

Attic Vents:

Band Board:

Foundation Vents:

Driveway Paving:

Walks Paving:

Other (Fences, Handrails, Pickets etc.)

**** ALL VERTICAL SURFACES MUST BE PAINTED OR STAINED PRIOR TO THE RETURN OF ANY OR ALL ESCROW DEPOSITS.**

13. Escrow Deposits

Clean-up & Compliance

Clean-up & Compliance

By Owner \$ _____

By Builder \$ _____

14. This Agreement must be signed by the Owner and the Builder, and returned to the Administrator of SLARB with the appropriate Escrow Deposits.

15. The Owner hereby acknowledges that if any portion of the submission hereby approved is in violation of the Covenants due to action by the SLARB, such action shall not prevent the SLARB from seeking enforcement of the Covenants and this Agreement.

16. The Owner & Builder hereby acknowledge that he/she is familiar with the requirements of the SLARB Guidelines document and agrees to abide by such requirements.

17. Permit THE SALE OF A PROPERTY DURING CONSTRUCTION OR PRIOR TO THE REFUND OF THE ESCROW DEPOSIT IN NO WAY RELIEVES THE PARTIES FROM COMPLIANCE OF ALL REQUIREMENTS BY THE SLARB

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the date below.

Sapphire Lakes Architectural Review Board

By: _____ **SLARB Administrator**

_____ **Property Owner**

_____ **Builder**

Received	Escrow Amount \$	Date	By

ATTACHMENT "A"

Schedule of Penalties

Project Name & Number:

Date:

As indicated in Paragraph 3 of the Building Permit Agreement, of which this is a part, the following schedule of penalties for the indicated compliance or rules violations will apply to the above captioned project:

1. Clearing of site (removal of any tree) or start of construction before SLARB's initial visit. (See tree damage penalty schedule.)
 - a. Loss of initial application fee
 - b. SLARB may also require work stoppage at Owner's expense
2. Failure to post Building Permits and copy of approved plan in plan tube on site.
\$25 a day after 2 working days telephone notice.
3. Violation of any sign rule
\$25 a day after 2 working days telephone notice.
4. No portable toilet and trash container at job site.
\$100 a day after 2 working days telephone notice.
5. Failure to deposit trash in container or trash overflow.
\$100 a day after 2 working days telephone notice.
6. **Failure to submit as-built survey after pouring the footings and prior to start of any framing. All construction will be halted until survey is delivered to SLARB and approved. Up to total compliance deposit may be charged.**
7. Failure to initiate continuous construction within 6 months of transmittal of the approved Transylvania County Building Permit to the applicant
Revocation of SLARB approval
8. Failure to complete project within one year after transmittal of the approved Transylvania County Building Permit or after the expiration of approved written extensions granted by SLARB.
10% of the total Escrow Deposit each month
9. Non-compliance with approved construction plans, and specifications
Up to total compliance deposit.

SLARB may also require demolition, and/or rebuilding at Owner's or Contractor's expense with a time limit for correcting the changes as prescribed by the SLARB. Failure to correct the changes during the prescribed time limit will result in fines of \$ 100 per day until the changes are corrected according to the requirements of the SLARB.

At a minimum, there will be a \$500 fine and the required submission of corrected architectural as-built drawings for approval within 15 days of notification by SLARB. Failure to submit the corrected drawings for approval within 15 days will result in fines of \$ 100 per day until the changes are corrected to the requirements of the SLARB

10. TREE DAMAGE PENALTY

- a. The intent of this section is to emphasize the importance of maintaining the park like setting of Sapphire Lakes. All trees to be saved shall be maintained in an undamaged condition. The owner will be liable for accidental damage to existing trees.

- b. Damage due to improper location of utility trenches or ditches. The owner and contractor will be responsible for damage whether by method of excavation, use of improper equipment, incompetent operator or failure to properly inform operators as determined by the SLARB.
- c. No trees on site shall be limbed up or trimmed unless approved by SLARB. Only those trees on the approved site plan/tree survey can be cut and removed.
- d. Tree penalties will be rated by the SLARB as to species. The following penalties acting as maximum amount and under no condition to less than one-half these figures.

Trees Penalty Schedule (Caliper at 4.5" above ground)			
	Pines	Oaks	Other Hardwoods
6" - 8"	\$ 600.00	\$ 2,000.00	\$ 1,000.00
8" - 10"	\$ 750.00	\$ 2,500.00	\$ 1,250.00
10" - 14"	\$ 1,500.00	\$ 5,000.00	\$ 2,500.00
14" - 20"	\$ 2,000.00	\$ 6,750.00	\$ 3,500.00
20" and larger	\$ 2,500.00**	\$ 8,500.00*	\$ 4,500.00**
* plus \$ 500.00 per inch over 20 inches			
** plus \$ 250.00 per inch over 20 inches			
Note: Pines over 24" are valued the same as oaks			

11. Building occupancy prior to issuance of Transylvania County Certificate of Occupancy with a copy to SLARB.
Up to total compliance deposit plus \$ 100.00 per day until the Certificate of Completion is issued.

12. Re-Painting and/or Re-Roofing without ARB application request approval
- A fine of \$ 100.00 per day will be applied after receipt of a violation notice by the home owner and running until ARB application request approval
 - The home owner will have 30 days to correct the violation after the application request approval or an additional \$ 100.00 per day will be applied until the work (re-painting and/or re-roofing) receives approval from SLARB
 - Appeals, if any, will be according to Section VII of the SLARB "Guidelines & Procedures"

ACKNOWLEDGEMENT:

The above Schedule of Penalties is acknowledged by my/our signatures. Any balance due for penalties must be paid before the return of the Escrow Deposit. Any payment of Penalties shall be a part of the Permit Agreement

Property Owner

Builder

Date: _____

Date: _____

Sapphire Lakes Architectural Review Board

Application for Construction or Improvements

Date: _____

Owner's Name _____

Legal Address _____

Mailing Address _____

Phone Number (Home) _____

Phone Number (Office) _____

Type of Improvement (attach fee & Escrow breakdown)

<u>Description</u>	<u>Check Number</u>	<u>Date</u>
New Construction	_____	_____
Re-Painting	_____	_____
Re-Roofing	_____	_____
Landscaping	_____	_____
Demolition	_____	_____
Other	_____	_____

Project Location (Lot Number) _____

Contractor _____

Starting Date _____ Completion Date _____

Attachments:

1. Sapphire Lakes Building Permit Application Supplement
2. Sapphire Lakes Building Permit Agreement

Submitted by (Signature) _____

Phone Number _____