

EXHIBIT "C"

Initial Restrictions and Rules

The following restrictions shall apply to all the Properties until such time as they are amended, modified, repealed, or limited pursuant to Article III of the Declaration.

1. General. The Properties shall be used only for residential, recreational, and related purposes (which may include offices for any property manager retained by the Association) consistent with this Declaration and any Supplemental Declaration. Except as provided above, Units may be used for a fee simple single-family residences only and for no other purpose.
2. Restricted Activities. The following activities are prohibited within the Properties unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors:
 - a. Parking any vehicle on public or private streets or thoroughfares, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles, or inoperable vehicle in places other than enclosed garages; provided, construction, service, and delivery vehicles shall be exempt from the provisions during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit of the Common Area;
 - b. Raising, breeding, or keeping animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit; however, those pets which are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of or constitute a nuisance or inconvenience to the occupants of other Units shall be removed upon the request of the Board. If the pet owner fails to honor such a request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed, and inoculated as required by law;
 - c. Any activity which emits foul or obnoxious odors outside the Unit or creates noise of other conditions which tend to disturb the peace or threaten the safety of the occupants of other Units;
 - d. Any activity which violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation;
 - e. Pursuit of hobbies, or other activities which tend to cause unclean, unhealthy, or untidy conditions to exist outside of the Unit;
 - f. Any noxious or offensive activity which in the reasonable determination of the Board tends to cause embarrassment, discomfort, annoyance or nuisance to people using the Common Area or to the occupants of other Units;
 - g. Outside burning trash, leaves, debris, or other materials, except during the normal course of constructing a dwelling on a Unit;

- h. Use of discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Units, except alarm devices used exclusively for security purposes.
- i. Use and discharge of firecrackers and other fireworks.
- j. Dumping grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake, or elsewhere within the Properties, except that fertilizers may be applied to landscaping on Units provided care is taken to minimize runoff, and Declarant and Builders may dump and bury rocks and trees removed from a building site on such building site;
- k. Trash- Accumulation of rubbish, trash, or garbage except between regular pickups, and then only in approved containers. Containers must be located either out of view, together beside home (against home) or together in front of the garage (against garage). All trash receptacles and/or yard waste to be emptied must be placed at the curb and removed from curb within 24.
- l. Obstruction or rechanneling drainage flows after location and installation of drainage swales, storm sewers, or storm drains, except that Declarant and the Association shall have such right; provided, the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent;
- m. Subdivision of a Unit into two or more Units, or changing the boundary lines of any Unit after a subdivision plat including such Unit has been approved and Recorded, except that Declarant shall be permitted to subdivide or replat Units which it owns;
- n. Swimming, boating, use of a personal flotation devices, or other active use of lakes, ponds, streams, or other bodies of water within the Properties, except that fishing from the shore shall be permitted with appropriate licenses and Declarant, its successors and assigns, shall be permitted and shall have the exclusive right and easement to retrieve golf balls from bodies of water within the Common Areas and to draw water from lakes, ponds, and streams within the Properties for purposes of irrigation and such other purposes as Declarant shall deem desirable. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the rivers, lakes, ponds, streams, or other bodies of water within or adjacent to Properties;
- o. Use of any Unit of operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a fixed or floating time schedule over a period of years, except that the Declarant and its assigns may operate such a program with respect to Units which it owns;
- p. Discharge of firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;
- q. On-site storage of gasoline, heating, or other fuels, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of lawn fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Article IV;

- r. Any business, trade, garage sale, moving sale, rummage sale, or similar activity, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (ii) the business activity conforms to all zoning requirements for the Properties; (iii) the business activity does not involve door-to-door solicitation of residents of the Properties; (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in the Properties which is noticeably greater than that is typical of Units in which no business activity is being conducted; and (v) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security of safety of other residents of Properties, as may be determined in the sole discretion of the Board.

The terms "business" and "trade," as used in the provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which provider receives a fee, compensation, or other form of consideration, regardless of whether; (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

Leasing of a Unit shall not be considered a business or trade within the meaning of this subsection. The subsection shall not apply to any activity conducted by Declarant or a Builder approved by Declarant with respect to its development and sale of the Properties or its use of any Units which it owns within the Properties, including the operation of a timeshare or similar program;

- s. Capturing, trapping, or killing wildlife within the Properties, except in circumstances posing and imminent threat to the safety of persons using the Properties;
- t. Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Properties, or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution;
- u. Conversion of any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit without prior approval pursuant to Article IV;
- v. Operation of motorized vehicles on pathways or trails maintained by the Association, except that golf carts may be operated on cart paths intended for such purposes; and
- w. Any construction, erection, placement, or modification of anything permanently or temporarily, on the outside portions of the Unit, whether such a portion is improved or unimproved, except in strict compliance with the provisions of Article IV of the Declaration. This shall include, without limitation, signs, basketball hoops, swing sets, and similar sports and play equipment; clotheslines; garbage cans; wood piles; above-ground swimming pools; docks, piers, and similar structures; and hedges, walls, dog runs, animal pens, or fences of any kind.
- x. Holiday Decorations- All Holiday lighting should be considered temporary. Holiday decorations may not be installed prior to (30) thirty days before Holiday and must be removed within (15) days after the Holiday. Consideration of neighbors should be exercised

with decorating for any occasion. Decorations may not include any audio that can be heard beyond the limits of the lot.

- y. Signs are not permitted per the Covenants and Restrictions: Article III- Use and Conduct, Section 3.4 (b) signs and displays.
 - z. Basketball Hoops- One basketball hoop may be stored, standing up against the side of the home or against the garage, when not in use. If the basketball hoop is stored against the garage, trash can(s) must be stored beside the home or out of view. You may not have a basketball hoop, and trash can(s) stored in front of the garage at the same time.
3. Prohibited Conditions. The following shall be prohibited at the Properties:
- a. Plants, animals, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Properties;
 - b. Structures dishes, antennas, and similar devices for the transmission of television, radio, satellite, or other signals of any kind, except that Declarant and the Association shall have the right, without obligation, to erect or install and maintain any such apparatus for the benefit of all or a portion of the Properties; and (i) satellite dishes designed to receive direct broadcast satellite service which are on meter or less in diameter; (ii) satellite dishes designed to receive video programming service via multipoint distribution services which are one meter or less in diameter or diagonal measurement; or (iii) antennas designed to received television broadcast signal (i), (ii), and (iii), collectively, “Permitted Devices”) shall be permitted, *provided that*, any such Permitted Device is placed in the least conspicuous location on the Unit (generally being the rear yard) at which an acceptable quality signal can be received and is not visible from the street, Common Area, or neighboring property or is screened from the view of adjacent Units and the street in a manner consistent with the Community-Wide Standard and the standards, unless such screening unreasonably interferes with the use of such Permitted Device.
4. Leasing of Units. “Leasing.” for the purposes of this Paragraph, is defined as regular, exclusive occupancy of a Unit by any person, other than the Owner for which the Owner received any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. All leases shall be in writing. The Board may require a minimum lease term, which requirements may vary from Neighborhood to Neighborhood. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board by the Unit Owner within seven days of the execution of the lease. The Owner must make available to the lessee copies of the Declaration, By-Laws, and the Restrictions and Rules.
5. Neighborhood Specific Restrictions. Each of the following restrictions shall apply only to the Units in the specified Neighborhoods.
- a. Rice Creek Neighborhood
 - 1. Units being utilized as a single-family residence shall contain a minimum of 1,000 square feet of heated space, excluding garages and car ports. Declarant may waive said restriction for any individual Unit in its sole and absolute discretion.
 - b. LTM Neighborhood
 - 1. Units being utilized as a single-family residence shall contain a minimum of 800 square feet of heated space, excluding garages and carports. Declarant

may waive said restriction for any individual Unit in its sole and absolute discretion.