

LOCKE MILL PLAZA ASSOCIATION, INC.

Water Leak Policy

Adopted: January 9th, 2014

Effective: January 9th, 2014

This Water Leak Policy is hereby adopted by Locke Mill Plaza Association, Inc. as of the date set forth above. This current policy is a replacement of the prior policy adopted on December 5th, 2013.

This policy has been duly adopted by the Board of Directors ("Board") of the Association at its December 5th, 2013 Board of Directors meeting pursuant to Article VII, Section 2 of the Amended, Supplemental and Restated Declaration of Covenants, Conditions, Reservations and Restrictions ("Declaration") recorded in deed book 8787, page 266, Cabarrus County Public Registry. This policy shall be effective as of the above effective date. This policy is intended to address the increased likelihood of leaks as the property ages and the need to have a uniform policy in place. This policy is intended to ensure timely and orderly repair of water leaks while minimizing conflict about repair costs for those leaks.

Each Owner of a Unit is responsible for water damage and repairs of pipes serving only his/her Unit and inside that Unit (all such pipes, plumbing and similar items are referred to as "pipes"). For multi-story Units, any pipes located between the various stories are the responsibility of the Unit Owner.

Per the Declaration, Art. 5, Secs. 1 and 4, for pipes that are outside of an Owner's Unit the Association is responsible for making the repairs. The repair costs will be an assessment against all of the Owners and enforceable as set forth in Article X of the Declaration. The Association shall not be responsible for maintenance or repairs caused by the negligence or intentional misconduct of any Owner, his agents, invitees or family members, which shall be the responsibility of that Owner.

The Association is responsible for repairing the pipes only, and under no circumstances will the Association be responsible for damages arising as a consequence of a leak, regardless of whether the Association is responsible for repairing the leak. Each Owner is strongly encouraged to obtain insurance in sufficient amounts to cover any damage to a Unit and its contents.

Each Owner will be required to provide a key to the management company to provide access to a Unit in the event of emergencies. Owners will also be required to maintain adequate heat in their Unit(s) so that pipes do not freeze.

The Declaration requires all mechanical, heating, ventilation and air conditioning equipment to be maintained and repaired at the cost of their Owners – leaks and water damage caused therefrom shall also be the responsibility of those Owners. Declaration, Art. V, Sec. 2.

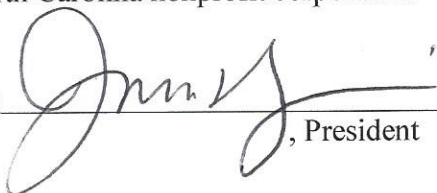
In the event an Owner discovers a leak and the Owner reasonably believes this to be the Association's responsibility, that Unit Owner must immediately report it to the Association. A failure to timely report these leaks will be considered a violation of this Policy, subjecting the Owner to repair costs as well as possible fines as set forth in the Declaration.

Capitalized words that are not defined in this policy are intended to have the same meaning ascribed to those words in the Declaration. In the event of a conflict between the Declaration and this policy, the Declaration shall control. The Association may waive all or a portion of this policy in special circumstances upon unanimous vote of the Directors, provided the same is done fairly and consistently and written findings of special hardship or unusual circumstances are made.

The Association appreciates each Owner's adherence to this policy and cooperation to ensure that water leaks are minimized.

IN WITNESS WHEREOF, the Association has set hereunto its hand and seal, this the 9th day of January, 2014.

LOCKE MILL PLAZA ASSOCIATION, INC., a
North Carolina nonprofit corporation

By:  _____, President

ATTEST:



Secretary of the Association