

ESCOBA BAY HOMEOWNERS ASSOCIATION
401 Preakness Lane, Sneads Ferry, NC 28460

Revised Guidelines for Use of the Escoba Bay Clubhouse

(This Resolution supersedes all previous Escoba Bay Clubhouse Guidelines)

Ref: Declaration of Master Covenants, Conditions and Restrictions for Escoba Bay Equestrian and Yachting Community ("Covenants").

Preface

The Covenants provide definitions of "Common Area", "Member", and "Owner." The term "Owner", as used in this resolution, also will include any individual qualifying as a "Member", and any person delegated use of Common Area by an Owner, including his family, his tenants or his visiting guests. The Covenants also address each Owner's easement of enjoyment, delegation of use, and the specific rights of the Association, through the Board of Directors, to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common area. This resolution provides such reasonable rules and regulations, as adopted by the Board of Directors. The Clubhouse is a Common area amenity and as such is available for use by Owners and their delegates in good standing.

General Rules

1. Reservation of the Clubhouse. Any Owner **in good standing** may reserve the Clubhouse for a private function by contacting the Business Manager (910-327-0238). Reservations will be taken on a "First Come, First Served" basis. To rent the Clubhouse, an Owner must visit the Business Office, receive a copy of the Revised Guidelines for Use of the Clubhouse, complete and sign the Rental Agreement, and pay the required deposit. Prior to the event, the Owner must conduct a pre-event inspection with the Clubhouse Coordinator and fill out an inspection checklist. The Owner should also accompany the Clubhouse Coordinator on his post-event inspection and sign off on the final check list. In the event he or she does not, the Clubhouse Coordinator's findings will prevail.

Note. Private citizens and public organizations not qualifying as "Owners" **may not** reserve the Clubhouse for private or public events, with the following exceptions: (1) an Owner may represent a public nonprofit or not-for-profit organization of which he is a member; or, (2) a private citizen or representative of a public organization may appear before the Board of Directors and request use of the Clubhouse, at which time the Board may waive the Owner-representation requirement. **Any owner representing a non-owner family member or public organization event at the Clubhouse must be in attendance throughout the event.**

2. Fees and Deposits. Any Owner reserving the Clubhouse will provide a deposit to the Business Manager prior to the event. The reservation is not confirmed until the deposit is received. The deposit will include a fee for each reserved use of the Clubhouse and a security deposit. A total deposit of \$200, consisting of a use fee of \$75 and security deposit of \$125, is hereby set for CY 2010. Beginning in CY 2011 (and continuing annually thereafter), at the first scheduled board meeting of each year, the Board of Directors will set both the amount of the security deposit and the amount of the fee an Owner will be charged for each use of the Clubhouse.

Note. The security deposit will be held until the Clubhouse Coordinator has completed a post-event inspection, preferably with the Owner. Once the Owner has successfully met the conditions of the post-event checklist, the Business Manager will return the deposit to the Owner. If necessary, the Clubhouse Coordinator may use this deposit to rectify damages RESULTING FROM THE ENGAGEMENT or may schedule a special cleaning via the contracted cleaning service, but will make every effort to resolve outstanding issues with the Owner making the reservation.

3. Commercial use. No owner will reserve the Clubhouse expressly for commercial use. No reservation will be accepted from an Owner for an event at which an entrance fee will be charged.

Note. As a real property portion of Common Area, the Clubhouse is intended to provide for “the common use and enjoyment of all Members of the Association.” It is not intended to serve as a revenue-generating source for the Association or individual Member. However, reservations **may** be made for business ventures wholly owned by an Owner or his delegate, provided the following conditions are met:

- 1) The business venture or franchise has an annual profit less than \$2,500 for the previous calendar year, or is expected to have less than \$2,500 profit for the current year.
- 2) The business venture provides for a non-exclusive gathering of like-minded Owners or delegates, and thus promotes community goodwill and friendship.
- 3) No external signs or banners will be placed on the Clubhouse or within the Common Area.
- 4) Collection of donations or reimbursement for actual expenses associated with an event does not constitute violation of this resolution.

Examples of business ventures that may qualify include Tupperware, Stampin’ Up, Creative Memories, and Pampered Chef parties. The Business Manager will take reservations based on his best judgment, but may refer a request to the Board of Directors for resolution.

4. Exclusions. This resolution applies expressly to the Escoba Bay Clubhouse. It includes the main ballroom, kitchen, adjoining first floor rooms, sunroom and the western parking

area. Use of the upstairs area is limited to the following and such planned usage must be noted on the rental agreement:

- The stairs may be decorated and used for photo opportunities.
- The room overlooking the ballroom may be used as an audio room to provide music for an event.
- The two large rooms may be used by members of a wedding party to change clothes if desired.
- One of the rooms may be used by children under the care of a baby sitter or other supervisor.

If the upstairs is used, both levels of the clubhouse must be cleaned after the event. **For safety reasons, unattended children are not allowed in the upper level.**

The swimming pool parking lot may be used **during the off season when the swimming pool is closed** (normally between October 1 and the week before Memorial Day.), but the driveway in front of the Clubhouse must remain open at all times for emergency vehicles. Reservations **do not** include the pool area, tennis courts, boat storage yard or stables and stable parking. The pool area **may be** included through arrangement with the Business Manager and the Swimming Pool Monitor, but will only be available for reservation under limited conditions and if not previously reserved by another Owner. An Owner's reservation of the Clubhouse should not normally exclude other Owners or their delegates from access to the pool, and the pool monitor has the authority to terminate or restrict the Clubhouse renter's access to the pool if he or she determines that such access results in overcrowding or a potential hazard to the safety of other swimmers.

Application

1. Business Manager shall:

- Accept completed reservation agreements with security deposits and fees as set by the Board of Directors.
- Account for reservation fees and security deposits received from Owners reserving the Clubhouse.
- Determine if Owners are "in good standing" before approving reservations.
- Maintain a master schedule of reservations and events to be held at the Clubhouse and provide a schedule of approved current-month reservations to the Clubhouse Coordinator.
- Each Monday provide Clubhouse Coordinator with copies of reservation agreements for events scheduled that week..
- Provide deposit refunds to renter-Owners after receipt of approved post-event report from Clubhouse Coordinator.
- Maintain a file of reservation agreements with pre-event and post-event reports.
- Maintain this resolution in the Book of Resolutions in the Escoba Bay business office for Owner/Member review during business hours.

2. Clubhouse Coordinator shall:

- Act as central point of contact for matters pertaining to maintenance and upkeep of the Clubhouse.
- Develop, maintain and revise as necessary a **post-event inspection checklist**.
- Conduct a pre-event joint inventory/walkthrough of the Clubhouse with the reserving Owner as required.
- Provide one copy of the post-event inspection checklist to the reserving Owner prior to the event.
- Issue a key to the reserving Owner and ensure that the deadbolt locks to front door, doors to patio, and back door access to trash cans are unlocked so he or she can gain access.
- Conduct post-event inspection within 72 hours and collect door key from reserving Owner. Resolve discrepancies with reserving Owner if possible, paying close attention to cleanliness while noting excessive wear and tear or malicious damage. If outstanding issues cannot be resolved, apply deposit monies toward cleaning service fees or address damage issues to the Board of Directors for resolution.
- Ensure that all deadbolts are locked after post-event walkthrough.
- Notify Business Manager to release security deposit to reserving Owner upon successful completion of post-inspection checklist and provide him with copy of checklist. Advise Business Manager of amount of any deposit to be withheld to cover cleaning or damage costs.

3. Board of Directors shall:

- Determine, at the first scheduled meeting of the year, the amount of the security deposit and reservation fee each reserving Owner must provide or pay for use of the Clubhouse.
- Hear special requests from the floor at scheduled Board meetings for outside use of the Clubhouse by private citizens not affiliated with Escoba Bay, or by public organizations.
- Provide additional guidance as may be required to the Clubhouse Coordinator, Business Manager and other agents of the Board for effective management of use of the Clubhouse.
- Resolve outstanding issues regarding use of the Clubhouse, and determine what action to take regarding damage reports received from the Clubhouse Coordinator as a result of Owner reservations of the Clubhouse.

Entered into the Book of Resolutions on _____
DATE

President

