



Pinnacle Mountain Property Owners Association Interpretation & Clarification of Covenants & Restrictions Sect. B.23

The Covenants & Restrictions for PMPOA, Section B.23 states as follows:

No trail motorcycles, ATVs or other similar recreational vehicles, may be operated anywhere within Pinnacle Mountain.

There has been much debate over the years whether this includes Utility Terrain Vehicles (UTV's). Following is the Board of Directors' official interpretation of the issue and our supporting arguments, in no particular order.

- The language in the Covenants & Restrictions does not specifically refer to UTVs. It refers to ATVs or other similar recreational vehicles. A UTV is by its name and function, a **Utility** vehicle. Likewise, the state of North Carolina defines ATVs and UTVs separately per G.S. 20-4.01 and permits UTVs to be operated on most public roadways.
- ATV usage is primarily recreational and involves racing engines at high speeds leading to prolonged loud noises. In contrast, UTVs are generally operated at nominal speeds with less noise and shorter durations.
- The Board has conferred with our insurance holder and they have confirmed that PMPOA would not be liable for incidents involving member owned and operated UTVs on the mountain. It was noted that individual members should look into their homeowner's insurance policies and confirm if they are covered on their UTVs, both on and off their property.
- There is historical precedent for the safe and useful operation of UTVs on the mountain for many years. UTVs have been instrumental in recovery efforts during severe weather events, especially snow and ice storms, where normal vehicles struggle with the conditions of the road.

Based on the above, the Board moves to officially state that UTVs are exempt from Covenants & Restrictions Section B.23, and thus are allowed to be owned and operated within PMPOA. The Board notes that owners should investigate their liability and coverage with their homeowner's insurance policy and purchase additional insurance for the UTV if they feel inclined. PMPOA shall bear no liability for owners who choose to operate their UTVs without insurance and the Owner is solely liable for any costs or damages should they choose to operate their UTV without insurance. Like all vehicles, UTVs should be kept in good working order so as not to present an eye sore or hazard to neighbors. UTVs are required to follow all the same traffic laws as regular vehicles on the mountain, including speed limits, stop signs, yield signs, etc.

PMPOA Board of Directors