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Onslow County, NC
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Acorn Forest Townhomes
Hunter Development Corporation
Acorn Forest Townhomes Owner's Association, Inc.

NORTH CAROLINA ONSLOW COUNTY

> MASTER DECLARATION OF COVENANTS AND RESTRICTIONS (MF/CSA) ACORN FOREST TOWNHOMES (47F-1-101 et seq.)

THIS DECLARATION is made this ______ day of MARCH, 2005, by HUNTER DEVELOPMENT CORPORATION, a North Carolina corporation, ("Declarant") of Onslow County, North Carolina.

BACKGROUND STATEMENT

The Declarant is the owner of the real property described in this Declaration and is desirous of subjecting said real property to the protective covenants hereinafter set forth, each and all of which is and are for the benefit of such property and for each owner thereof, and shall inure to the benefit

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of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest and any owner thereof.

Pursuant to 47F-1-101 et seq., Declarant desires to provide for the preservation and enhancement of the property values and amenities within said community and to provide for the maintenance of common areas, properties and improvements located thereon, and to this end desires to subject Project property to the provisions of Chapter 47F of the North Carolina General Statutes, and to the covenants, restrictions, easements, charges and liens as are hereinafter set forth, each and all of which are for the benefit of said real property and each present and future owner thereof.

DECLARATION

NOW THEREFORE, it is hereby declared that the property described herein is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of Chapter 47F of the North Carolina General Statutes, and to the covenants, restrictions, easements, charges and liens hereinafter set forth, said property being more particularly described as follows:

> BEING all of that property as shown that plat entitled "FINAL PLAT ACORN FOREST TOWNHOMES" and recorded in Map Book 47, Page 179, Onslow County Registry.

DEFINITIONS: 1.

- "Association" shall mean and refer to ACORN FOREST TOWNHOMES OWNER'S ASSOCIATION, INC., a North Carolina non profit corporation, its successors and assigns; "Board" shall refer to the Board of Directors of the Association.
- "Common Area" shall mean all real property owned by the Association, if any, for the common use and enjoyment of the Owners.
- "Declarant" shall mean and refer to HUNTER DEVELOPMENT CORPORATION, C. a North Carolina corporation, a North Carolina corporation, its successors and assigns. Declarant obtained this property in Book 2252, Page 726, Onslow County Registry.
- "Declaration" shall mean and refer to this instrument, as may from time to time be D. amended.
- Ε. "Living Unit" or "Unit" shall mean and refer to any portion of a structure situated upon a lot designed and intended for use and occupancy as a residence by a single family.
- "Property" or "Properties" shall mean and refer to any of the real property which is F. subject to this Declaration.

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- G. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area, if any, and includes any improvements thereon, if any.
- H. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties but shall not include those having such interest merely as security for the performance of an obligation.

2. <u>COMMON AREAS</u>:

- A. <u>Dedication</u>: The Common Areas, if any, shall be dedicated as such by the Declarant, or its successors and assigns, either by notation on a recorded plat or by conveyance by deed to the Association.
- B. <u>Maintenance</u>: The Association shall be responsible for the exclusive management and control of the Common Areas, if any, and all improvements located thereon (including recreational facilities, landscaping, fixtures and equipment related thereto). General rules of law shall apply regarding liability for property damage due to negligence or willful acts or omissions and all such costs shall be allocated in relation to the person who would be responsible for repair in the absence of the duty of the Association to maintain.

C. Owner's Easement of Enjoyment:

Section 1. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
 - (b) the right of the Association to limit the number of guests of members;
- (c) the right of the Association to suspend the right to use the recreational facilities by an Owner or other person for any period during which any assessment against a Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (d) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes subject to such conditions as may be agreed to by the Association.
- (e) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area.

(f) the right of the Association to impose fines or other penalties pursuant to Chapter 47F of the NC General Statutes.

Section 2. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property. Recreational facilities, if any, situated upon the Properties may be utilized by guests of Owners or tenants subject to the rules and regulations of the Association governing said use and as established by its Board of Directors. The Board of Directors shall have the right to limit or prohibit the rights of the owners to use recreation facilities during the period of rental to non owners.

D. <u>Restriction on Alienation</u>: Notwithstanding anything contained herein to the contrary, the Association shall not alienate in any way or transfer all or any part of the Common Areas without the prior approval of all holders of outstanding first priority mortgages against any of the Properties that are subject to this Declaration; provided, however, this restriction shall not be applicable to grants of easements for utilities, storm sewer, sanitary sewer, road right of ways and other conveyances for dedication to the public.

3. ASSOCIATION: MEMBERSHIP AND VOTING RIGHTS:

- A. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.
- B. The Association shall have two (2) classes of voting membership and one (1) class of non-voting members:

Class I: Class I members shall be all Owners of a Lot with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class II: The Class II member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class II membership shall cease and be converted to Class I membership on the happening of either of the following events, whichever occurs earlier:

- (1) when the total votes outstanding in Class I membership equals the total votes outstanding in the Class II membership or
- (2) on that date which is seven (7) years from the date of the recording of this document.
- (3) at the discretion of Declarant.

4. ARCHITECTURAL CONTROL COMMITTEE:

Section 1. Except for original and initial construction and subsequent modification of improvements by the Declarant on any Lot which such construction is and shall be exempt from the provisions of this provision, no building, wall, fence, landscaping, berm or hedge which act as a fence or privacy inducing structure, pier, dock, ornamentation, or other structure or improvements of any nature shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping as may be required by the Architectural Control Committee have been approved in writing by the Architectural Control Committee. Each building, wall, fence or other structure or improvements of any nature, together with any ornamentation or landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which said Architectural Control Committee deem sufficient. Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval. The Architectural Control Committee shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

- Section 2. (a) Within thirty (30) days after receipt of all required information, the Architectural Control Committee shall submit in writing to the owner of the lot a response stating whether or not the requested improvements are approved. Unless a response is given by the Architectural Control Committee within thirty (30) days, the plan shall be deemed approved. The response of the Architectural Control Committee may be an approval, a denial, an approval with conditions or a request for additional information. A request for additional information shall be deemed a determination that the information submitted was inadequate and the thirty (30) day time period for response shall only commence upon the receipt of the requested additional information. Conditional approvals may be granted and if approval with conditions is granted and thereafter construction begins, the construction shall be deemed approval by the owner of the lot of the conditions imposed.
- (b) Refusal of approval of plans, specifications and plot plans or any of them may be based upon any ground, including purely aesthetic grounds, which the Architectural Control Committee shall deem sufficient. The Architectural Control Committee shall make the following affirmative findings before any plans are approved:
- (1) That the improvements sought to be constructed will not have a negative economic impact on any other lot within the subdivision.
- (2) That all required specific buildings standards and other conditions contained within the Restrictive Covenants, By Laws and other subdivision documents have been met.

- (3) That the improvements are architecturally compatible with proposed or constructed improvements on other lots within the subdivision.
- (4) That the natural features of the lot have been retained to the maximum extent possible.
- Section 3. Until such time as the sale of the last numbered lot in the subject property is evidenced by the recordation of a deed therefore, all rights, privilege, powers and authority granted herein to the Architectural Control Committee, to whom the specific power to act hereunder is expressly conveyed, shall be exercised by the Declarant, its successors or assigns. The Declarant may assign its powers hereunder to an Architectural Control Committee, but so long as Class II membership shall exist, the Declarant shall appoint a majority of the Architectural Board. Thereafter, all representatives shall be appointed by the Board of Directors of the Association. Except as set out above, the Architectural Control Committee shall be composed of three (3) owners appointed by the Board and shall serve at the pleasure of the Board.
- Section 4. A majority of the Architectural Control Committee may take any action said Committee is empowered to take, may designate a representative to act for the Architectural Control Committee, and may, subject to the approval of the Board, employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Control Committee, the Board shall designate a successor. The members of the Architectural Control Committee shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Control Committee may establish a fee to cover the expense of reviewing plans and related data at the time plans are submitted for review in order to compensate any consulting architects, landscape architects, urban designers or attorneys.
- Section 5. Any Owner may appeal the decision of the Architectural Committee provided that all parties involved comply with the decision of the Architectural Committee until such time, if any, as the Board of Directors amends, or reverses the Architectural Committee's decision. Appeals petitions must be legibly written, state the grounds for appeal and be submitted to the Board of Directors within thirty (30) days of the decision of the Architectural Committee. The Board of Directors shall act upon the appeal by amending, reversing or confirming the decision of the Architectural Committee within thirty (30) days of receipt of the petition. The Board of Directors' decision shall be by majority vote. Any owner must exhaust this avenue of appeal prior to resorting to a court of law or equity for relief.
- Section 6. Submissions for approval may be made to the Architectural Control Committee c/o the Association to any of the following:
- (a) the address to which an owner is directed to send assessments or dues as appears on the most recent billing statement,

- (b) the address of the Association Registered Agent as it is listed in the Office of the Secretary of State, or
- (c) at such address as may be provided in writing (on the letterhead of the Association and signed by the managing agent or officer of the Association) to the applicant upon request for instructions regarding submission.

5. ASSESSMENTS: (MF)

- Purpose of Assessments: The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties, and for the improvement and maintenance of the Common Area, and specifically any storm water control or disposal improvements.
- Creation of the Lien and Personal Obligations of Assessment: The Declarant, for В. each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed, therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:
 - (1) annual assessments or charges;
- (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided;
- (3) to the appropriate governmental taxing authority, a pro rata share of ad valorem taxes levied against the Common Area if the Association shall default in the payment therefor for a period of six (6) months, all as hereinafter provided.

The annual and special assessments, together with interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs, and reasonable attorneys' fees (as provided in North Carolina General Statutes Section 6-21.2) incurred by the Association in collecting delinquent assessments shall also be the personal obligation of the person or entity who was the Owner at the time when the assessment became due. The obligation of an Owner for delinquent assessments shall not pass to his successors or assigns in title.

C. Minimum Annual Assessment:

150.00 mix (1) The initial minimum annual assessment shall be \$\frac{\$125.00}{2} per year per lot. Assessments shall commence as to each lot beginning on the date of closing from the Declarant to an owner other than the Declarant. So long as Class II Membership exists, the Declarant shall pay no assessments but shall be responsible for any deficit in the operating budget.

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- (2) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum assessment may be increased each year not more than fifteen percent (15%) above the maximum assessment for the previous year without a vote of the membership.
- (3) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above fifteen percent (15%) by a vote of fifty-one percent (51%) of members of each class who are voting in person or by proxy, at a meeting duly called for this purpose. Except, however, increases attributable solely to increases in insurance premiums, uninsured loses or deductibles, and the annexation of new areas, including new Common Areas, shall not be subject to this limitation.
- (4) The Board of Directors shall fix the amount of the assessment against each lot at least thirty (30) days in advance of the annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors of the Association and the Board of Directors shall have the authority to require the assessment to be paid in pro-rata monthly installments, quarterly and semi-annually as well as annually. The Association shall, upon demand, and for a reasonable charge furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified lot have been paid.
- D. <u>Collection of Assessments</u>: The first pro rata payment of the balance of the current year assessment shall be due and payable beginning on the day of the closing.
- E. <u>Special Assessments</u>: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for any purpose. Any such assessment for any use other than insurance premiums, any uninsured loss or insurance deductibles, shall have the assent of fifty-one percent (51%) of the votes of the members of each class who are voting in person or by proxy at a meeting duly called for this purpose. Special Assessments for insurance premiums, any uninsured loss, or insurance deductibles, shall not be limited by member approval.
- F. Remedies for Non-Payment of Assessments: Any assessment which are not paid when due shall be delinquent. The assessment shall bear interest from the due date at the rate established by the Board of Directors of the Association, or if not set by the Board, at the highest rate allowed by law, together with such late fees as may be set by the Board. The Association may file a lien of record against any lot where there remains an assessment unpaid for a period of thirty (30) days or longer. Said lien shall be filed in the office of the clerk of superior court of Onslow County in a manner provided therefor by Article 8 of Chapter 44 of the North Carolina General Statutes. No Owner may waive or otherwise escape liability for the assessments provided for herein by the non-use of the Common Area or abandonment of his dwelling unit or site.

The Association may bring an action at law against the Owner personally obligated to pay any assessments and interest. Costs and reasonable attorneys' fees for the prosecution of any such action shall be added to the amount of such assessment. In the event of such action at law and in the further event that such action results in a judgment being entered against the Owner and in favor of the Association, then, and in that event, the Association shall collect on such judgment in such manner and to the extent provided and permitted by the laws of the State of North Carolina.

The Association's lien may be foreclosed in like manner as a mortgage on real estate under power of sale under Chapter 45 of the North Carolina General Statutes. All fees, charges, late charges, fines, and interest are enforceable as assessments.

In any foreclosure action brought under the power of sale provisions, the Association shall be deemed to be the holder and owner of the obligation secured by this Declaration. The Registered Agent of the Association shall be the Trustee for all purposes of the foreclosure proceeding and the Association shall have the power to appoint a substitute trustee if for any reason the Association desires to replace the trustee, and the said substitute trustee shall succeed to all rights, powers and duties thereof. The Association shall request of the trustee to sell the land subject to the lien at public action for cash, after having first given such notice and advertising the time and place of such sale in such manner as may then be provided by law for mortgages and deeds of trust, and upon such and resales and upon compliance with the law then relating to foreclosure proceedings under power of sale to convey to the purchaser in as full and ample manner as authorized by Chapter 45. The Trustee shall be authorized to retain an attorney to represent him in such proceedings. The proceeds of the Sale shall, after the Trustee retains his commission, together with any addition attorney's fees incurred by the Trustee, be applied to the costs of the sale, including but no limited to costs of collection, taxes, assessment, costs of recording, service fees, and incidental expenditures, the amount due on any note secured by the property, and any advancements made by the Association in the protection of the security.

G. <u>Subordination of the Lien to Mortgages</u>: The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

6. GENERAL RESTRICTIONS:

A. <u>Residential Use (MF):</u> All lots shall be used exclusively for residential purposes of a single family (which may be part of a multi unit building and which may include separate living quarters for one or more members of the owners' family or relative), except that any lot may be used by the Declarant for a street or roadway.

An Owner or occupant residing in a dwelling on a lot may conduct business activities within the dwelling 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 dwelling; (ii) the business activity conforms to all zoning requirements for the lot; (iii) the business activity does not involve regular visitation of the dwelling or lot by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the subdivision; and (iv) the business activity is consistent with the residential character of the subdivision and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the subdivision, as may be determined in the sole discretion of the Board. The terms "business" and "trade," as used in this 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 the 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. The leasing of a dwelling or lot shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Builder approved by the Declarant with respect to its development and sale of the Properties or its use of any lots which it owns within the subdivision.

B. <u>Allowable/Prohibited Structure (MF)</u>: No structure shall be erected, altered, placed or permitted to remain on any Lot other than a single, one family dwelling (which may be part of a multi unit building) not to exceed three stories in height, (which may include separate living quarters for one or more members of the owners' family or relative), a private garage which may contain living quarters for occupancy by domestic servants of the lot occupant only, provided that the same are constructed in line with general architectural design and construction standards used as the dwelling itself. Each multi family dwelling shall contain a minimum of 880 square feet of enclosed space for a one story dwelling. If a two story dwelling, the first or ground floor of each multi family dwelling shall contain a minimum of 440 square feet of enclosed space and not less than 880 total square feet of enclosed space. This covenant shall not be construed as prohibiting the use of a new dwelling as a model home for sales/rental purposes.

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporary or permanently. No trailer, mobile home, camper or like vehicle shall be allowed on the property at any time, or any other structure which is finished or partially finished at a manufacturing unit or plant and transported for quick assembly and which is designed to be disassembled and relocated shall be allowed. It is specifically the intention and purpose of this covenant to prohibit the location of any manufactured home as defined in NCGS 143-145 and any structure for which a "Label of Compliance" as defined in NCGS 143-145 is issued, including but not limited to those structures which are generally referred to as mobile homes, trailers, relocatable houses, or similar type structures on the property.

"Modular construction" of walls, floor systems, roof trusses and other portions of the structure shall be permitted providing that it is a full floor joist system not supported by chassis or steel frame. Fabrication shall not be limited to the building lot.

This covenant shall not be construed as prohibiting the use of such a structure as a sales/rental model or office or construction site facility.

- C. <u>Stormwater Runoff</u>: General Provisions:
- (a) The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number 040425 as issued by the Division of Water Quality under NCAC 2H.1000.
- (b) The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.
- (c) These covenants are to run with the land and be binding on all persons and parties claiming under them.
- (d) The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.
- (e) Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the State.
- (f) All runoff from the built-upon area on the lot must drain into the permitted system. This may be accomplished through providing roof drain gutters which drain to the street; grading the lot to drain toward the street, or grading perimeter swales to collect lot runoff and directing them into the stormwater system or into the street. Lots that will naturally drain into the system are not required to provide these additional measures.
- D. <u>Nuisances</u>: No noxious, offensive, or illegal activity shall be carried on or conducted upon any Lot nor shall anything be done on any Lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood. All Lots, whether occupied or unoccupied, shall be well maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted to remain on a Lot. No automobile, other vehicle(s), motorcycle(s) or other similar items shall be repaired or placed "on blocks" or stands except in an enclosed garage. Declarant, or Association, its successors or assigns, reserves the right to enter upon and cut grass, weeds, or undergrowth on any lot or easement, but shall be under no obligation to do so. The Declarant or Association may contract for, and assess to owner, any maintenance necessary to enforce his covenant.

- E. <u>Animals</u>: No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that household pets may be kept provided that said pet shall not exceed 50 pounds in weight and are not kept for breeding or commercial purposes. Any such household pet shall not be allowed off the Lot of the Owner of said pet unless said pet is attended and on a leash. Owners shall be solely and absolutely liable for the acts of any pet kept on their Lot. The following dog breeds shall be specifically prohibited: Rottweiler, Doberman, Mastiff, Boxer, Bulldog, Pit Bulls, Chows and wolf hybrids. In addition, the Association shall specifically have the power and responsibility to designate, based upon temperament, size and/or nature or tendencies, from time to time a list of breeds of animals which shall be prohibited on any lot or in any dwelling.
- F. <u>Garbage and Refuse Disposal</u>: No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be burned or disposed of on any Lot and shall be kept except in sanitary containers approved by the Board. All equipment for the storage prior to disposal of such material shall be kept in a clean and sanitary condition. The placement of containers shall be approved by the Board. The Declarant and Association reserves the right for itself, its successors and assigns, to contract for garbage collection services for each lot in the subdivision and the lot owner shall be responsible for the payment of such garbage services to the company providing the same, or the Association may make such a common expense or expense to a particular owner.
- G. <u>Exterior Lights</u>: All light bulbs or other lights installed in any fixture located on the exterior of any dwelling, building or other structure located on any Lot shall be clear or white lights or bulbs. No mercury vapor or similar wide area lighting similar to street lights shall be allowed without prior Architectural Committee approval.
- H. <u>Sight Distance at Intersections</u>: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.
- I. <u>Mailboxes:</u> Multiple unit mailboxes may be constructed by the Declarant for the use of a number of owners within certain areas as determined by the Declarant and postal service. Thereafter, no mailboxes shall be installed on any lot or common area without first obtaining approval by the Architectural Control Committee. Application shall be made thereafter to the Architectural Control Committee prior to installation or replacement for approval as to the style, design, color and location. By accepting a deed to any subject property, owner gives the Architectural Control Committee the right to remove any nonapproved mailbox in a reasonable

manner; all costs for same shall be paid by owner, and all damages against the Architectural Control Committee are waived.

- J. Signs: No sign, billboard, or other advertising of any kind, including without limitation "professionally prepared "for sale" and "for rent" signs, shall be placed or erected on any Lot, right of way or Common Area save and except a professionally prepared "for sale" or "for rent" sign not to exceed six (6) square feet in size. Although approval by the Architectural Committee is not required prior to the display of such signs, the Architectural Committee may itself remove, have removed, or require the removal of any such sign which in its opinion would not otherwise be allowed under paragraph 6 of this Declaration. A valid easement shall exist on any Lot for such removal by the Architectural Committee or its agents. Provided, however, nothing shall prohibit or limit in any manner "construction" signs designating the job site and builder which may be placed upon a Lot during the period of the construction of a residential dwelling on the Lot but must be immediately removed upon final completion of such construction. Nothing herein shall prohibit any sign erected by the Declarant or its assigns.
- K. <u>Antennas</u>: There shall be no exterior antennas of any kind for receiving and/or sending of T.V., radio or other signals unless same have first been approved by the Architectural Committee.
- L. <u>Driveways/Parking</u>: All driveways constructed on any Lot shall be paved with either asphalt or concrete. The use or construction of a headwall or other ornamental structure, gravel, rock or other material at or around the driveway culvert shall be prohibited. The earthwork extending from the driveway to each end of the culvert shall be gently sloped and sodded, as approved in each case. An Owner shall provide a minimum of two (2) paved off-street parking spaces, excluding garage space(s) and shall provide at least one per automobile or other vehicle owned and regularly used at the Lot. On street parking is prohibited except for temporary, short gatherings.
- M. <u>Vehicles, Boats, Storage, Travel Trailers, etc.</u> Except as specifically allowed by the Board, no vehicle without current inspection sticker, vehicle over 7000 pounds empty weight, motor homes, or bus shall be parked overnight on any lot except in an enclosed garage, provided, however, guests of an owner may so park such vehicle for a period not to exceed seven (7) days each calendar year. Raw firewood, bicycles, motorcycles, or other items may be stored only in the rear yard of the dwelling. No automobile, other vehicle(s), motorcycle(s) or other similar items shall be repaired or placed "on blocks" or stands except in an enclosed garage.
- N. <u>Window Appearance</u>: All draperies or other window dressings in each dwelling unit shall be white or off white or in lieu thereof shall have a white lining.
 - O. <u>Trees:</u> Except as to development or construction by Declarant, or as may be

approved by the Architectural Committee, no tree 4 inches in diameter at any location on said tree or ten feet (10') in height shall be cut, removed or intentionally damaged on any Lot unless first approved by Architectural Committee.

- P. <u>Swimming pools:</u> Outdoor swimming pools, hot tubs, jacuzzis, and other similar facilities may be located on a lot only after the Architectural Committee approval. All such improvements shall be subject to approval of and compliance with all governmental laws and regulations.
 - Q. <u>Clotheslines:</u> Exterior clotheslines shall be prohibited.
- R. <u>Fence Minimum Requirements:</u> Architectural review requirements must be met prior to construction of any fence. Prior to any Architectural approval, the owner shall waive his right to have the Association maintain the grounds and landscaping contained within the fence. The Association shall retain the right, however, and any fence construction shall be subject to the right of the Association to remove the fence in the event the owner fails to maintain the grounds and landscaping contained within the fence. No fences over six (6) feet in height shall be constructed on any lot. The term fence shall include but not be limited to, a wall, fence, landscaping, berm, or hedge which act as a fence or privacy or security inducing structure.
- S. <u>Termite Contracts Required:</u> Every owner shall initiate and maintain a termite inspection and repair contract on the owner's structure. The said contract shall provide for an annual inspection and shall provide for repair of the structure in the event of damage by termites. The owner shall cause a copy of the contract and the renewal thereof the be provided to the Association Treasurer at least annually and upon request of by the Association. The Association reserves the right to subject any lot to a termite contract and assess the cost thereof against the lot for which the contract is provided, or alternatively, the Association may contract for a termite contract on all of the units as a common expense. Declarant, or Association, its successors or assigns, reserves the right to enter upon any lot or dwelling for the purpose of inspection, treatment and maintenance and/or repair pursuant to the providing of any such termite contract. A valid easement shall exist on any Lot for such acts undertaken by the Association or its agents.
- T. Rental of Units: Owners may lease their units, but provided, however that any lessee shall be bound by the applicable restrictions contained in this Declaration, By Laws and by rules and regulations enacted by the Association, and by such reasonable restrictions on such rentals as may be adopted by the said Board of Directors. The Board of Directors shall have the right to limit or prohibit the rights of the owners to use recreation facilities during the period of rental to non owners.

By his acceptance of a deed of his unit, each unit owner empowers the Association or its designee, as his attorney in fact, to bring a proceeding in summary ejectment to remove any tenant who is in violation of the provisions of this Declaration, the By-Laws, or any rules and regulations adopted by the Board of Directors pursuant thereto. If leased, a unit must be leased in its entirety, and may not

be subdivided for this purpose. Nothing contained herein shall be construed, nor shall the Board of Directors be empowered to create a rental pool, to require the employment of an exclusive rental agent, to fix rental rates, or to require that units be made available for rent. All leases shall provide a minimum effective lease term of thirty (30) days without provisions for early termination, and a copy of any rental management agreement and all leases shall be provided to the Association.

The Association shall specifically have the powers to adopt policies, and rules and regulations to implement policies, relating to rental by owners of units to non owners, either by owners directly or by rental agents, and the use of the common facilities by non owners, including but not limited to, the regulation of pets, trash pickup, access to common areas, the number of occupants of a unit, the number of vehicles permitted to be parked and where such vehicles may be parked, the hours of use of the pool (or other common facilities), the number of pool guests allowed who are non owners, the establishment of fees payable by owners or non owners to offset the cost of providing pool, parking or other passes or identification for non owners, or other administrative costs associated with non owners. The Board of Directors shall have the right to limit or prohibit the rights of the owners to use recreation facilities during the period of rental to non owners.

6.1 MULTI-FAMILY DWELLING SPECIAL PROVISIONS:

A. Conveyance of Multi-Family Unit:

Regardless of any provision in these restrictive covenants to the contrary, nothing shall prohibit or prevent the conveyance of a part or portion of any lot in order to convey one separate living quarters residence of a multi family dwelling.

B. Party Walls:

- (1) General Rules of Law to Apply: Each wall which is built as a part of the original construction of the homes upon the properties and placed between the separate living quarters of a multi family dwelling shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Paragraph the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto.
- (2) Sharing of Repair and Maintenance: The costs of reasonable repair and maintenance of a party wall shall be shared by the owner who makes use of the wall in proportion to such use.
- (3) Destruction by Fire or Other Casualty: If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the costs of restoration thereof in proportion to such use without prejudice, however, to the right of any such owner to call for a larger contribution for the others under any rule of law regarding liability for negligent or willful acts or omissions.

- (4) Weatherproofing: Notwithstanding any other provisions of this Article, an owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.
- (5) Right to Contribution Runs with Land: The right of any owner to contribution from any other owner under this Paragraph shall be appurtenant to the land and shall pass to such owner's successors in title.

(6) Dispute Resolution:

(a) In the event of any dispute between owners arising or concerning maintenance or repair, a party wall, or under any other provisions of the Restrictive Covenants, any owner shall notify the Association Board of Directors. The Board of Directors shall thereafter resolve the dispute, and the decision shall be binding on the owners of the units in the building. Alternatively, or in the event the Board, cannot resolve the dispute or becomes deadlocked, then the Board will choose an arbitrator whose decision shall be binding on the unit owners of the units in the building.

(b) Arbitration. Any controversy that shall be submitted to arbitration shall be determined and settled by an independent disinterested person [hereinafter "independent arbitrator"] appointed by the Board, and such independent arbitrator shall resolve the controversy in accordance with the terms of the Uniform Arbitration Act, currently codified in North Carolina General Statute, Articles 45A, §1-567.1 et.seq. or any successor statutes. The controversy as so determined shall be binding on the parties. The cost of the arbitration shall be borne equally by the parties, except that each party will pay the costs of its legal counsel and the costs of expert witnesses. The place of arbitration shall be Jacksonville, North Carolina.

6.2 MAINTENANCE OF MULTI-FAMILY STRUCTURES (OWNER):

The exterior maintenance and repair shall be provided by the owner of each lot. In the event any owner fails to maintain or repair his lot and building thereon the Association shall have the right to provide notice of the owner's duty to maintain and repair and designate specific items to be maintained and repaired. If such maintenance or repair is not completed within fifteen (15) days from the notice, then upon a meeting of the Board, if the Board deems that the maintenance or repair should be undertaken, then the Association shall have the right to so undertake. The Association shall not have, however, any obligation to undertake any such maintenance or repair. The costs of the maintenance or repair shall be an assessment payable by the owner and against the lot maintained or repaired collectable as any other assessment.

General rules of law shall apply regarding liability for property damage due to negligence or willful acts or omissions and all such costs shall be allocated in relation to the person who would be responsible for repair in the absence of the duty of the Association to maintain.

7. STREET LIGHTING AGREEMENT: The Declarant and Association reserves the right to subject the real property to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting, either or both which may require an initial payment and/or a continuing monthly payment to an electric utility company or Association by the owner of Lot.

8. <u>RESTRICTION ON FURTHER SUBDIVISION:</u>

No Lot which has been designated as such by Declarant by either recorded plat shall be further subdivided or separated into smaller Lots, without the prior written consent of the Association. This restriction shall not apply, however, to Declarant.

9. EASEMENTS: (MF)

A. <u>Utility Easements</u>. There is hereby reserved by the Declarant, its successors and assigns, and for the benefit of the Association, the easements, for utility, sight and buffer areas as well as any other easements, as shown on the recorded plats of the Parcels. Said easements may be used for the purposes shown on the plat and, in addition thereto, ingress, egress and regress and for the purpose of installing, maintaining, repairing and replacing all utility service lines and systems including, but in no way limited to, those for water, sewer, gas, telephone, electricity and cable television.

In addition to the above, there is hereby reserved for the benefit of each owner and the Association, an easement over each parcel or lot of each other owner a blanket easement and right of way on, over and under the ground within a parcel or lot for the purpose of installing, maintaining, repairing and replacing all utility service lines and systems including, but in no way limited to, those for water, sewer, gas, telephone, electricity, cable television and garbage or refuse collection and pick up.

In addition to the above, there is hereby reserved for the benefit of the Association, an easement over each parcel or lot which may be enclosed by a fence a blanket easement and right of way on and over the ground within a parcel or lot for the purpose of ingress, egress and regress for the purpose of maintenance on any lot and for the purpose of maintaining the grounds and landscaping which may be enclosed by a fence.

B. Easement to Correct Drainage: The Declarant reserves a blanket easement and right of way on, over and under the ground within a Parcel to maintain and correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary. Following such action the Declarant shall restore the affected property to its original condition as near as practical. The Declarant or Association shall give reasonable notice of its intent to take such action to all affected Owners, unless in the opinion of the Declarant or Association an emergency exists which precludes such notice.

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- C. <u>Encroachments</u>: In the event any portion of a Common Area encroaches upon any Living Unit or any Living Unit encroaches on a Common Area as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of the Properties, a valid easement for the encroachment and for the maintenance of same shall exist so long as the encroachment exists.
- D. <u>Association Maintenance:</u> The Board of Directors of the Association and the Architectural Board, acting through the Association, its officers, agents, servants and/or employees shall have the right of unobstructed access at all reasonable times to all properties as may be reasonably be necessary for maintenance.
- E. <u>Common Areas:</u> Easements are also reserved over those portions of the Common Areas, if any, that may be necessary or required to accommodate overhanging eaves or other cantilevered construction which may encroach upon the common area or the air and light space above such common area.
- F. <u>Grant to Others:</u> The Declarant or Association may grant permits, licenses, and easements over any common area or utility easement reserved elsewhere for utilities, roads or other purposes reasonably necessary or useful for the Project maintenance or operation of the Project.

10. VARIANCES:

The Association may allow reasonable variances and adjustments of the restrictions set forth in this Declaration and as set forth on any recorded plat in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein; provided, however, that any such variance granted must be done in conformity with the intent and purposes of the general development scheme and provided also that in every instance such variance or adjustment shall not materially be detrimental or injurious to other property or improvements within the Properties.

11. COMPLIANCE, ENFORCEMENT AND REMEDIES.

A. <u>Default and Remedies</u>. A default in or failure to comply with any of the terms, conditions, obligations, and provisions of the Declaration, the Association Bylaws, the Association Articles of Incorporation, or the rules and regulations, as the same may be amended from time to time, by any Owner or Occupant, shall be grounds for relief that may include, without intending to limit the same or to constitute an election of remedies, an action to recover fines and penalties as set in the Bylaws, sums due for damages, an injunction, or any combination thereof, which relief may be sought by the Association, an aggrieved Owner, or by any person or class of persons adversely affected. Also, if any Owner fails to perform any obligation under the Declaration, the Bylaws, the Articles of Incorporation or such rules and regulations, then the Association may, but is not obligated to, perform the same for the Owner's account, and for such purpose may enter upon his lot or dwelling, may make necessary repairs, advance expenses or other sums necessary to cure the default,

and for such expenses and costs may collect all such sums against the lot owned by such defaulting Owner.

- B. <u>Suspension of Rights</u>. The Association also shall be entitled to suspend the right of a defaulting Lot Owner to vote as a member of the Association until the default is cured and may suspend the voting rights of and right to use of the recreational facilities of a Owner during any period in which such Owner shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice of hearing as set forth in the By Laws, for infraction of published rules and regulations; but provided, however, that the right of an owner to ingress to and egress from his Lot shall not be impaired;
- C. Remedy of Abatement in Additional to Other Remedies. In the event a Owner fails to effect the cure specified by the Board where the default is a structure, thing, or condition existing in or on the premises of the Owner's Lot, the Board, or its duly authorized representative, shall have the right to enter upon the premises of the Owner's Lot in which, on which, or as to which, such default exists, and summarily to abate and remove, at the defaulting Owner's expense (and collect the costs as if an assessment), the structure, thing, or condition constituting the default, and the Board, the Association, and their agents, employees, and representatives shall not thereby be deemed guilty of any manner of trespass.
- D. <u>Injunction</u>. The Association, an aggrieved Owner, or by any person or class of persons adversely affected, is entitled to seek relief for any such default or failure and may obtain a temporary restraining order, injunction or similar relief, without first using the procedure established herein, if such default or failure creates an emergency or a situation dangerous to persons or property.
- E. <u>Fine</u>. Any owner who shall violate the Declaration, By-laws, the articles or the Rules and Regulations may be fined in an amount as set out in the By Laws for each day of such violation. Such fine shall be enforced and collected as an assessment. Prior to the implementation of any fine, or the suspension of voting rights for the infraction of published rules and regulations, a hearing shall be conducted pursuant to the procedure set out in the By Laws.
- F. Recovery of Attorneys' Fees and Costs. In any proceeding arising because of an alleged default by a Owner, the person, class of persons or Association bringing an action against an alleged defaulting Owner shall be entitled to recover the costs of such proceeding and such reasonable attorneys' fees and costs as may be allowed by the Court, with interest thereon at the highest rate allowed by law.
- G. <u>Non Waiver</u>. The failure of the Association or of any Owner thereof to enforce any terms, provision, right, covenants or condition that may be granted by the Declaration, these Bylaws, the Articles, the rules and regulations, as the same may from time to time be amended, shall not constitute a waiver or abrogation of the right of the Association or a Owner or other person to

enforce such term, provision, right, covenants, or condition in the future, irrespective of the number of violations or breaches thereof that may have occurred.

- H. Recovery of Fines and Expenditures. Any fine, costs or expenses hereunder shall be recovered by the Association as if an assessment lien.
- 11.1 <u>REMEDIES EXTENDED TO THE STATE OF NORTH CAROLINA:</u> To ensure that this subdivision is maintained consistent with the laws of the State of North Carolina, the State of North Carolina is specifically empowered to take such acts necessary by and through its officers to enforce any of these covenants against an owner or the Association. The State of North Carolina is specifically made a beneficiary of these covenants.

12. RIGHTS OF MORTGAGEES:

A holder or insurer of a mortgage, upon written request to the Association (such request to state the name and address of such holder or insurer and the description of secured properties) will be entitled to timely written notice of:

- A. Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage.
- B. Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot upon which it holds a mortgage.
- C. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- D. Any proposed amendment to the project instruments effecting a change in the boundaries of any Lot, ownership of Common Elements, if any, the number of votes in the Association pertaining to any Lot or any proposed change in the restrictions on the properties.

13. **INSURANCE:**

A. Common Areas:

The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket all-risk insurance, for all insurable improvements on the Common Area. If blanket all-risk coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

The Board shall also obtain a public liability policy covering the Common Area, the Association and its Members for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall have at least a One Million and

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no/100 (\$1,000,000.00) Dollar single person limit as respects bodily injury and property damage, a Three Million and no/100 (\$3,000,000.00) Dollar limit per occurrence, and a Five Hundred Thousand and no/100 (\$500,000.00) Dollar minimum property damage limit.

Premiums for all insurance on the Common Area shall be common expenses of the Association. This policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the party who would be responsible for the repair in the absence of insurance and in the event of multiple parties shall be allocated in relation to the amount each party's loss bears to the total. Cost of insurance coverage obtained by the Association for the Common Area shall be included in the regular assessment.

B. Individual Multi Family Units (Townhomes/Condominiums):

By virtue of taking title to a Lot subject to the terms of this Declaration, each owner covenants and agrees with all other Owners and with the Association that each Owner shall carry homeowners or fire insurance policy which shall include public liability and blanket all-risk casualty insurance on his Unit(s) and structures constructed thereon. Owner shall provide a copy of the Declaration page of the policy to Association at such time(s) as the Association may direct. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of structures situate upon his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed, Owner shall elect whether to rebuild within sixty (60) days of the loss. If Owner determines not to rebuild or to reconstruct, the Owner shall clear the Lot of all debris within ninety (90) days of loss and return it to substantially the natural state in which it existed prior to the beginning of construction. If Owner fails to so clear the Lot within ninety (90) days of the loss, the Declarant or Association may do so and the cost shall be assessed against the Owner of the Lot.

14. AMENDMENT:

These restrictions are subject to being altered, modified, cancelled or changed at any time as to said subdivision as a whole or as to any subdivided lot or part thereof during the first twenty (20) year period by written document executed by the Declarants or their successors in title and by the owner of not less than ninety percent (90%) of the subdivided lots or parts of said subdivision to which these restrictions apply, and recorded in the office of the Register of Deeds of the County in which this Declaration is recorded. After the expiration of the initial twenty (20) year period, these restrictions are subject to being altered, modified, cancelled or changed at any time as to said subdivision as a whole or as to any subdivided lot or part thereof by written document executed by not less than seventy-five percent (75%) of the Lot Owners, and recorded in the office of the Register of Deeds of the County in which this Declaration is recorded.

15. <u>DECLARANT'S RIGHTS:</u>

Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the county in which this Declaration is recorded.

Notwithstanding any provisions contained in the Declaration to the contrary, it shall be expressly permissible for Declarant to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Declarant, successors and assigns, may be reasonably required, convenient, or incidental to the sale, re-sale, or rental of such Lots, including, but not limited to, business offices, signs, model units, and sales/rental offices. The Declarant shall have an easement for access to such facilities and activities shall include specifically the right to use residences owned by the Declarant, if any, and any which may be owned by the Association.

The Declarant shall have the rights (i) to use or grant the use of a portion of the Common Area for the purpose of aiding in the sale, or rental, or management of Lots; (ii) to use portions of the Property for parking for prospective purchasers or lessees of Lots and such other parties as the Declarant determines; (iii) to erect and display signs, billboards and placards and store and keep the same on the property; (iv) to distribute audio and visual promotional material upon the Common Area; and (v) to use or permit to be used any Lot which it owns or leases as a sales and/or rental office, management office or laundry and maintenance facility.

So long as Declarant continues to have rights under this paragraph, no person or entity shall record any declaration of restrictions and protective covenants or similar instrument affecting any portion of the Properties without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of restrictions and protective covenants or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

This provision may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this provision shall terminate upon the earlier of (a) fifteen (15) years from the date this Declaration is recorded, or (b) the sale of the last lot in the subdivision by Declarant.

16. **GENERAL PROVISIONS:**

A. <u>Duration</u>: The covenants and restrictions set forth herein shall run with and bind the Properties for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall automatically be extended for successive ten (10) year periods unless otherwise terminated by a vote of seventy five per cent (75%) of the then record Owners of all Lots within the Properties.

- B. <u>Severability</u>: Invalidation of any one of the covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.
- C. <u>Captions</u>: The captions used in this Declaration are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of this Declaration.
- D. <u>Construction</u>: Whenever the context so requires, the use herein of any gender shall be deemed to include the plural and the plural shall include the singular.
- E. <u>Litigation</u>: No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five (75%) percent of the membership and a majority of the Board of Directors. This Section shall not apply, however to (i) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (ii) the imposition and collection of personal assessments, (iii) proceedings involving challenges to ad valorem taxation, or (iv) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the Declarant or is approved by the percentage votes and pursuant to the same procedures necessary to institute proceedings as provided above.

IN WITNESS WHEREOF, as the above date, Grantor (whether person, corporation, limited liability company, general partnership, limited partnership, or other entity) has signed this instrument in the ordinary course of business, by the signature(s) below if its duly authorized representative(s), as the act of such entity.

HUNTER DEVELOPMENT CORPORATION

By: michael a Th

MICHAEL G. TUTON, Vice President

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NORTH CAROLINA ONSLOW COUNTY

I, a notary public, do hereby certify that MICHAEL G. TUTON personally came before me this day and acknowledged that he is the Vice President of HUNTER DEVELOPMENT CORPORATION, a corporation, and that he as Vice President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal this the <u>u</u> day of MARCH, 2005.

Notary Public

My commission expires: 9-10-05

DATA\RE\RESCOV/MF SINGLE PHASE WCSA 013004 FWE\020904 DATA\CLIENT\2TUNLLC\BRIAR`S CREEK RC 013004(020204)021204 DATA\CLIENT\HDC\RC\ACORNFOREST TH 021204\021304\033104 R-12912

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is/are certified to be correct	t. This instrument and	this certificate are duly registered at the date and
time and in the Book and Pa	age shown on the first p	hage hereof.
Malalad M.	Thomas	
		Deputy/Assistant-Register of Deeds
The foregoing certificate(s) of _	Laura	Wine Lepes
is/are certified to be correct. The time and in the Book and Page sh	is instrument and this c	ertificate are duly registered at the date and
Mexical M	Lange	Register of Deeds for Onslow County
		Deputy/Assistant-Register of Deeds

Prepared by: FRANK W. ERWIN, ATTORNEY

825 Gum Branch Road, Suite 115

Jacksonville, NC 28540

NORTH CAROLINA

STATEMENT OF CORRECTION

ONSLOW COUNTY

(PURSUANT TO NCGS §47-36.1)

Pursuant to NCGS §47-36.1, and other applicable statutes and the law of the State of North Carolina, the undersigned do hereby submit as follows:

- 1. That the attached instrument was originally dated the 14th day of MARCH, 2005 and recorded on the 15th day of MARCH, 2005, in Book 2408, Page 668, ONSLOW County Register of Deeds.
- 2. That an obvious typographical error or other minor error appeared in the original instrument and has been corrected and initialed on the original as follows: TYPOGRAPHICAL ERROR IN ASSESSMENT AMOUNT.
- 3. That the undersigned is/are the original parties to the original instrument or the attorney drafting said original instrument.

This the 6th day of JULY, 2004.

PARTIES:

HUNTER DEVELOPMENT CORPORATION (SEAL)

ATTORNEY:

ED AND UL EDWIN

DATA\RE\GENREAL\CORRECT.FRM(082592)

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(SEAL)