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Doc ID: 007682930017 Type: CRP
Kind: RESTRICTIVE COVENANT
Recorded: 11/09/2009 at 11:59:19 AM
Fee Amt: \$62.00 Page 1 of 17
Onslow County, NC
Rebecca L. Pollard Reg. of Deeds
BK **3320** PG **36-52**

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE GABLES OF JACKSONVILLE OWNERS ASSOCIATION, INC.

THIS DECLARATION, made on the date hereinafter set forth by Perimeter Three, LLC, a limited liability company organized under the laws of the State of North Carolina with its principal office located in Onslow County, North Carolina, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Jacksonville Township, Onslow County, North Carolina, which is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to The Gables of Jacksonville Owners Association, Inc., its successors and assigns.

Section 2. "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, including contract sellers and storage area owners, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Eligible First Mortgage Holder" shall mean any holder of a first mortgage, who files with the secretary of the association, notice, that they are holding a mortgage on the lot.

Section 5. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners.

Section 6. "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.

Section 7. "Declarant" shall mean and refer to Perimeter Three, LLC its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. 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 suspend the voting rights and right to use of the recreational facilities, if any, by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and
- b. 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 and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members and fifty-one percent (51%) of the mortgage holders has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-

Laws, his right of enjoyment to the Common Area and facilities to the members of the family, his tenant, or contract purchasers who reside on the property.

Section 3. Parking Rights. Ownership of each Lot shall entitle the Owner or Owners thereof to the use of the automobile parking spaces, which shall be located in front of the Lot together with the right of ingress and egress in and upon said parking area.

Section 4. Common Control Areas. The Association shall govern any and all repairs, replacements, and maintenance of the Common Control Areas.

Section 5. Traffic Island Maintenance. The Association shall maintain in an orderly fashion all traffic islands which are landscaped or upon which improvement may be placed on any road within the subdivision.

Section 6. Exterior Maintenance: In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot subject to dues and assessments as follows:

- (a) Repair any fences and gates in the common area;
- (b) Maintain the lawn grasses in the front yard, side yard and rear yard, to include, but not limited to mowing, trimming, edging, and removal of clippings, applying nutrients, weed control chemicals and insect control chemicals as required;
- (c) Provide maintenance, repair and upkeep at the expense of the owner who fails to maintain acceptable appearance of his property at the expense of the owner; and
- (d) Maintain all streets, front, side and rear lawns and drainage lines to include storm water control lines.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenance to and may not be separated from ownership of any Lot or storage area which is subject to assessment.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. The Class A members shall be all Owners, 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 determine, but in no event shall more than one vote be cast with respect to any Lot.

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

- a. Within One Hundred Twenty Days (120) of the total votes outstanding in the Class A membership is seventy-five (75%) percent of the total votes outstanding in the Class B membership, or
- b. On the fifth anniversary of the conveyance of a Lot or other parcel within the development.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, 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, and (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, 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, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of any Common Area; and for the improvement and maintenance of any Common Control Area, and lawn maintenance. In addition, sums shall be collected and amassed to establish a capital account for capital improvements and repairs to the properties.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Three Hundred Fifty and 00/100 Dollars (\$350.00) per Lot and may be paid monthly, quarterly, semi-annually or annually as determined by the Association. However, this first annual assessment fee for the calendar year will be prorated and must be paid in advance for the remainder of the year at the time of closing.

a. 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 each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.

b. 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 ten percent (10%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. 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 the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days and not more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast ten percent (10%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the

required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and shall be collected on a quarterly or annual basis. However, notwithstanding this section or any other section contained herein, Declarant shall not be obligated to pay of the Uniform Assessment provided the Lot is unoccupied and has not been deeded by Declarant to a purchaser.

Section 7. Date of Commencement of Annual Assessments Due Dates. The annual assessments provided for herein shall commence as to each Lot on the first day following the conveyance of the lot by Declarant. The Declarant shall not be responsible for any assessments. The first annual assessment shall be adjusted according to the number of days remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each 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. 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. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Remedies for Non-Payment of Assessments. Any assessments 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 therefore by Article 8 of Chapter 44 of the North Carolina General Statutes. No Owner may waiver 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 and filing of any lien 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 auction 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 sales and re-sales 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 additional attorneys' fees incurred by the trustee, be applied to the costs of the sale, including but not 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.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first 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 assessments as to payments which became 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.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board, until such time as the Board or committee is formed, Declarant shall act as architectural committee. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after such plans and specification have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

USE RESTRICTIONS

Section 1. Land Use and Building Type. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single family townhouse dwelling not to exceed two (2) stories in height, unless approved by Declarant. Any building erected, placed or altered on any Lot shall be subject to the provisions of the Article V of this Declaration of Covenants, Conditions and Restrictions relating to architectural control

Section 2. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 3. Temporary Structures. No structure of a temporary character, such as a basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently.

Section 4. Animals. No livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other common household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and are at all times not a nuisance to other Owners, properly leashed or confined in an approved area. No animal

shall be leashed or confined in the front or side yard of any lot. No other animals shall be allowed without the prior consent of the Declarant. Declarant may, at its option, assign this right to the Association and may limit the size or breed of any animal on the property, and may prohibit a specific animal due to its nature or tendencies.

Section 5. Outside Antennas. No outside radio or television antennas shall be erected on any Lot or dwelling unit within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association or its architectural control committee.

Section 6. Window Coverings. All drapes, curtains, or other similar materials hung at windows, or in any manner so as to be visible from the outside of any building erected upon any Lot shall be of a white or neutral background or material.

Section 7. Exterior Lights. 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.

Section 8. Swimming Pools. Outdoor swimming pools, hot tubs, Jacuzzis, and other similar facilities may be located on a lot only after Architectural Committee approval. All such improvements shall be subject to approval of and compliance with all governmental laws and regulations.

Section 9. Clotheslines. Exterior clotheslines shall be allowed only as permitted by the Association.

Section 10. Vehicles, Boats, Storage, Travel Trailers, etc. No vehicle without current inspection sticker, vehicle over 5,000 pounds empty weight, or bus shall be parked overnight on any lot; 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 on that part of any lot away from the street lying beyond the front line of the townhouse so that it is not viewable from any street. No automobile, other vehicle(s), motorcycle(s) or other similar items shall be repaired or placed "on blocks" or stands.

ARTICLE VII

EASEMENTS

Section 1. Utility and Drainage. Easements for installation and maintenance of utilities and

drainage facilities are reserved as shown on the recorded and within all common walls. Within these easements, no structure, planting or other material shall be placed or permitted, to remain which may interfere with the installation and maintenance of drainage, or which may obstruct or retard the flow of water.

Section 2. Emergency Repairs. The Association is hereby granted a permanent easement to enter any properties, including any individually owned Lot, for the sole purpose of effectuating emergency repairs.

Section 3. Ingress and Egress. Each Lot Owner shall have an unrestricted right of ingress and egress to their Lot. This right shall pass and inure to the benefit of all future Lot Owners.

Section 4. Encroachment. Any and all encroachments and violations of less than one foot shall be deemed a minor violation and each Owner or the Association shall be deemed to have granted an easement appurtenant to the violating Lot for said encroachment.

Section 5. Street Lighting Agreement. The Declarant reserves the right to subject the real property in this subdivision to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting and/or entrance sign lighting, either or all of which may require an initial payment and/or a continuing monthly payment to an electric company by the owner of each dwelling.

ARTICLE VIII

INSURANCE AND BONDS

Section 1. Liability Insurance. The Association shall obtain and maintain a Comprehensive General Liability Insurance policy covering all Common Areas, public ways and other areas that are under its supervision. The policy shall provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence. The premium for said policy shall be paid by the Association.

Section 3. Fidelity Bond. The Association shall have Fidelity Bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. A management agent that handles funds for the Association shall be covered by its own Fidelity Bond.

Except for Fidelity Bonds that a management agent obtains for its personnel, all other bonds shall name the Association as an obligee and their premiums shall be paid by the Association as a

common expense.

The Fidelity Bonds shall be in a sufficient amount to cover the aggregate of the following:

- a. the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force;
- b. the sum of three (3) months assessments of all amounts in the project; and
- c. all reserve funds of the Association.

Section 4. Individual Multi Family Units (Townhomes). 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 structure constructed thereon. Owner shall provide a copy of the Declaration page of the policy to the 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 situated 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.

ARTICLE IX

STORMWATER OPERATION AND MAINTENANCE, EASEMENT AND ACCESS AGREEMENT FOR STRUCTURAL MANAGEMENT OF BMPS AND ESCROW CONTRIBUTION CONTRACT

Section 1. Definitions. As used within this Maintenance Covenant Section, the following words and terms have the following definitions:

- (a) "Maintain", "Maintenance", "Maintaining" or any similar term used herein is defined to include one or more of the following, as the context requires: acquisition, purchase, construction, re-construction, installation, maintenance, inspection, examination, upkeep,

cleaning, renewal, alternation, repair, replacement, repainting, remodeling, restoration, removal, improvement, administration, operation, use, planting, mowing, cutting, trimming, pruning, fertilizing, watering and preservation.

(b) "Maintenance Covenant" is defined as this Article.

(c) "Structural BMPs" is defined collectively as the stormwater control structures and other stormwater structural Best Management Practices (BMPs) and associated appurtenances and vegetation as stipulated on the approved final plat for said Property.

Section 2. Location and Identification of Structural BMPs. A description of the portions of the Property where all the Structural BMPs are located, as well as a description of the Property in the Contract executed between the Association and the City of Jacksonville entitled "City of Jacksonville's Stormwater Operation, Maintenance, Easement and Access Agreement for Structural Stormwater Management of BMPs and Escrow Contribution Contract" which has been registered at the Onslow County Register of Deeds to run with said Property.

Section 3. Maintenance of Structural BMPs. Structural BMPs shall be maintained by the Association in strict compliance with the Stormwater Ordinance and Agreement. At all times, the Structural BMPs shall comply with all applicable laws, ordinances, regulations, and rules. Membership in the Association is mandatory for each Owner of a Lot with membership being appurtenant to the Lot and running with ownership of the Lot. The Association or its Board of Directors shall levy assessments for the costs and expenses of maintaining the Structural BMPs in further compliance with the City of Jacksonville Stormwater Ordinance and Agreement. Upon compliance with the provisions of Chapter 47F of the North Carolina General Statutes (or any applicable successor provision), all assessments levied against a Lot that remain unpaid for a period of thirty (30) days or longer shall constitute a lien on that Lot.

Section 4. Association Costs and Expenses for Maintenance of Structural BMPs. The costs and expenses of maintaining the Structural BMPs shall be a common expense of the Association and shall include, without limitation, all contribution payment obligations owed to the City of Jacksonville under a Stormwater Agreement covering the Property.

Section 5. Establishment of an Escrow Account. The initial construction cost for the Structural BMP will be used to establish the level to which the escrow account will be funded. The sinking fund budget is established in the Stormwater Maintenance Agreement. Any funds

drawn down from the escrow account shall be replaced in accordance with the schedule of contributions specified by the City of Jacksonville prior to the withdrawal of said funds.

Section 6. Penalties Association with Failure to Maintain Structural BMPs. Operation and Maintenance of the Structural BMPs must comply with all relevant provisions of the Ordinance, as may be amended from time to time, and the Operation and Maintenance Agreement. Failure to maintain the Structural BMPs is a violation of the Ordinance and may subject each Lot Owner to significant daily civil penalties and other enforcement actions by the City of Jacksonville.

Section 7. Grant of Easement. Association hereby dedicates, bargains, sells, grants, and conveys unto the City of Jacksonville, its successors and assigns, a perpetual, non-exclusive and irrevocable right and easement over, under, through, and across the Stormwater Areas and access through the Property to and from the Stormwater Areas for the purpose of permitting City inspection and, if deemed necessary, as determined by the City, maintenance, replacement, reconstruction, and repair of the Structural BMPs.

Section 8. Joint and Several Liability. Each Owner shall be jointly and severally responsible for maintenance and operation of the Structural BMPs, including payment of any unpaid expenses related to the maintenance of the Structural BMPs and including all interest charges thereon, together with the costs and expenses of collection incurred, including court costs and reasonable attorneys' fees actually incurred.

Section 9. Action for Specific Performance. Recognizing the consequences to the City of Jacksonville of non-compliance with the obligations of this Maintenance Covenant, Declarant and Association hereby grant the City of Jacksonville the right to seek, in any court of appropriate jurisdiction, judicial action for specific performance of any of the obligations established within this Maintenance Covenant. This right of the City shall not limit any other remedies or enforcement options available to the City under the Ordinance, any other applicable law, or the Stormwater Agreement.

ARTICLE X

GENERAL PROVISION

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and

charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

Section 3. Document Availability. The Association shall have current copies of the Declaration, By-Laws, and other rules concerning the project as well as its own books, records and financial statements available for inspection by Lot Owners or by holders, insurers and guarantors of first mortgages that are secured by Lots and improvements within the development. These documents shall be available during normal business hours and under other reasonable circumstances.

There shall be an annual statement prepared each year with copies made available to the Lot Owner, and any holder, insurer or guarantor of any first mortgage that is secured by a Lot within the development. A lot owner or holder insures or guarantees any eligible first mortgage may at their expense obtain a copy of said statement.

Section 4. Condemnation, Destruction or Liquidation. The Association will be deemed to represent the Owners in any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Areas and shall have the authority to negotiate, settle and otherwise make agreements on behalf of all Lot Owners and any and all sums payable shall be distributed to the Lot Owners and their mortgage holders. Any and all funds shall be distributed to each of the Lot Owners in equal shares. However, all first mortgage holders shall be given ten (10) days notice prior to any disbursements to the Lot Owners.

Section 5. Limitation on Ability to Sell and Lease. No Lot Owners right to sell, convey, transfer or mortgage his Lot shall be restricted. However, no Lot shall be leased for less than thirty (30) days.

Section 6. Mortgagee Approval. The following actions will require the prior written approval of at least fifty-one percent (51%) of the eligible mortgage holders: Annexation of additional properties, other than contained herein, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 7. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty-five (35) years from the date of this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than sixty-seven percent (67%) of the Lot Owners, and thereafter by an instrument signed by not less than fifty percent (50%) of the Lot Owners. However, the Declarant is empowered to make such amendments as may be necessary to comply with the Veterans Administration requirement for loan guarantees within the properties. All material changes, including any transfer of the common area shall require not less than 30 days advance notice as well as notice to all eligible first mortgage holders. Any amendment must be recorded. As long as there is Class B Membership, the Veterans Administration and/or the Federal Housing Administration shall have the right to veto amendments to the Declaration.

Section 8. Annexation. Additional residential property, Common Area and Common Control Area may be annexed to the Properties by Declarant. Any and all additional land within the area described as Lot 2, Map Book 57, Page 94 of the land records of Onslow County, may be annexed by the Declarant without the consent of members within seven (7) years of the date of this instrument, provided that the annexation is in accord with general plan of development and that the number of units does not exceed 152 in number.

IN WITNESS WHEREOF, the Declarant hereto has set their hand and seal this the

5th day of November, 2009.

Perimeter Three, LLC

By: 
Manager

{Corporate Seal}

Attest By:

N/A
Secretary/Assistant Secretary

STATE OF NORTH CAROLINA

COUNTY OF ONSLOW

I, a Notary Public of said County and State, do hereby certify that John L. Pierce personally came before me this day and acknowledged that he/she is the Manager of Perimeter Three, LLC, a limited liability company, and that by the authority duly given and as the act of the company, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by himself as its Secretary.

Witness my hand and seal, this 5th day of November, 2009

Betty Bullock
Notary Public

My Commission Expires: 12/28/13

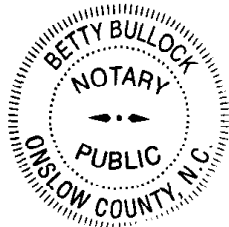


EXHIBIT "A"

**All of that property as shown in Book 58 Page 221, Slide M-1295, Onslow County
Public Registry.**



Doc ID: 007884070002 Type: CRP
Kind: RESTRICTIVE COVENANT
Recorded: 02/05/2010 at 12:50:53 PM
Fee Amt: \$17.00 Page 1 of 2
Onslow County, NC
Rebecca L. Pollard Reg. of Deeds

BK **3357** PG **373-374**

✓
Prepared by Lanier Fountain & Ceruzzi/mg

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

**AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS OF THE GABLES OF
JACKSONVILLE OWNERS
ASSOCIATION, INC.**

THIS AMENDMENT to the Declaration of Restrictive Covenants entitled
"AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF THE GABLES OF JACKSONVILLE OWNERS ASSOCIATION,
INC." (hereinafter called "Protective Covenants") dated November 5, 2009 and filed for
record in the Office of the Register of Deeds of Onslow County in Book 3320, Page 36,
is hereby made and promulgated by Perimeter Three, LLC as follows:

Article VI, entitled "Use Restrictions" of the Protective Covenants is hereby
amended prior to the sale of any unit, and the following section is made in addition to the
existing sections under Article VI:

Section 11. Fence Minimum Requirements. 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.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has
hereunto set their hands and seal, this the 21st day of January, 2010.

All other provisions, restrictions and covenants contained in the original Protective Covenants remain in full force and effect.

PERIMETER THREE, LLC

By: Betty Bullock

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

I, a Notary Public for said County and State, certify that Betty Bullock, with authority duly given as Secretary of Perimeter Three, LLC, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and official stamp or seal, this the 29th day of January, 2010.



Amanda Godfrey
Notary Public

My commission expires: NOV. 8, 2012