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DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
VILLAGE AT SUMMERSET

**THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL
SIGNS.**

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Table of Contents

Article 1: Amendment and Restatement of Original Declaration	2
Article 2: Adoption of the North Carolina Planned Community Act	2
Article 3: Definitions	2
3 1 Act	2
3 2 Articles	2
3 3 Assessment	2
3 4 Association	2
3 5 Association Documents	3
3 6 Benefited Assessment	3
3 7 Board of Directors or Board	3
3 8 Business and Trade	3
3 9 Bylaws	3
3 10 Common Elements	3
3 11 Common Expenses	3
3.12 Community-Wide Standard	3
3 13 Declaration	4
3 14 Design Guidelines	4
3 15 Dwelling Unit	4
3 16 Landscaping	4
3 17 Limited Common Elements	4
3 18 Lot	4
3 19 Member	4
3 20 Mortgage	4
3 21 Mortgagee	4
3 22 Owner	4
3 23 Permit	5
3 24 Person	5
3 25 Property	5
3 26 Register of Deeds	5
3 27 Stormwater Management Facilities	5
3 28 Upkeep	5
3 29 Use Restrictions	5
3 30 Utility Company	5
Article 4: Property Rights	5
4 1 Easements in Original Declaration	5
4 2 Common Elements	5

Article 5: Association Function, Membership and Voting Rights	6
5 1 Function of Association	6
5 2 Membership	6
5 3 Voting	7
Article 6: Association Rights, Obligations and Services	7
6 1 Personal Property and Real Property for Common Use	7
6.2 Implied Rights; Board Authority	7
6 3 Dedication of Common Elements	7
6 4 Disclaimer of Liability	7
6 5 Safety	8
6 6 Change of Use of Common Elements	8
6 7 View Impairment	8
6.8 Relationship with Tax-Exempt Organizations	8
Article 7: Maintenance	8
7 1 Association's Responsibility	8
7 2 Owner's Responsibility	9
7.3 Standard of Performance	9
Article 8: Insurance and Casualty Losses	10
8 1 Association Insurance	10
8 2 Association Policy Requirements	11
8 3 Owner's Insurance	11
8 4 Loss Adjustment, Repair and Proceeds	11
Article 9: No Partition; Subdivision	12
Article 10: Permit, Transfer, Responsibilities and Covenants	12
10 1 Administration of Permit	12
10 2 Easement for Upkeep and Enforcement	12
10 3 Permit Covenants	12
Article 11: Annexation of Property With Approval of Membership	13
Article 12: Assessments	13
12 1 Creation of Assessments	13
12 2 Computation of Annual Assessment	14
12 3 Reserve Budget and Special Reserve Assessment	15
12 4 Benefited Assessments	15
12 5 Special Assessments	15
12 6 Lien for Assessments	16

12 7	Acceleration	16
12 8	Failure to Assess	16
12 9	Exempt Property	17
12 10	Working Capital Contribution ..	17
Article 13: Architectural and Design Standards		17
13 1	General	17
13.2	Architectural and Design Review ..	17
13 3	Guidelines and Procedures	18
13 4	Submission of Plans and Specifications ..	18
13 5	No Waiver of Future Approvals	19
13 6	Variances	20
13 7	Limitation of Liability ..	20
13 8	Enforcement	20
Article 14: Use Restrictions		21
14 1	Applicability: Effect	21
14 2	Authority to Promulgate Rules	21
14 3	Owners' Acknowledgment ..	22
14 4	Use Restrictions ..	22
14 5	Rights of Owners ..	22
Article 15: Easements		23
15 1	Easements for Utilities, Etc.	23
15 2	Easements for Cross-Drainage ..	24
15 3	Right of Entry ..	24
15 4	Easements for Maintenance and Enforcement ..	24
Article 16: Mortgage Provisions		25
16 1	Notices of Action	25
16.2	No Priority	25
16 3	Notice to Association ..	25
Article 17: Compliance and Enforcement		26
17 1	General Remedies	26
17 2	Enforcement/Sanctions	26
17 3	Self-Help Remedies	26
17 4	Cumulative Remedies/Attorneys' Fees ..	26
17.5	Association's Right Not to Take Action	26
17 6	Enforcement by Owner ..	27
Article 18: General Provisions		27
18.1	Term	27

18 2	Amendment 27
18 3	Hearing Procedures 28
18 4	Severability 29
18 5	Notice of Sale or Transfer of Title 29
18 6	Attorneys' Fees 29

EXHIBIT A - Property

EXHIBIT B - Use Restrictions

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
VILLAGE AT SUMMERSET

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR VILLAGE AT SUMMERSET ("Declaration") is made and entered into as of the 4th day of March, 2014, by **THE VILLAGE AT SUMMERSET HOA, INC.**, a North Carolina non-profit corporation (herein referred to as the "Association")

WHEREAS, Summerset at Wrightsville, LLC, recorded the Declaration of Covenants, Conditions and Restrictions of Phase IA, Pointe Summerset at Wrightsville in Book 2397, at Page 181 in the office of the Register of Deeds of New Hanover County (as amended and supplemented, the "Pointe Summerset Declaration"), encumbering a portion of the Property, as defined herein, described as "Pointe Summerset Property" on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, Edith H. Patelos recorded the Declaration of Covenants, Conditions and Restrictions of Phase I, The Village at Summerset in Book 3993, at Page 400 in the office of the Register of Deeds of New Hanover County (as amended and supplemented, the "Village Summerset Declaration"), encumbering a portion of the Property, as defined herein, described as "Village Summerset Property" on Exhibit A attached hereto and incorporated herein by reference, and

WHEREAS, the Pointe Summerset Declaration and the Village Summerset Declaration shall hereinafter be collectively referred to as the "Original Declarations"; and

WHEREAS, all owners of Pointe Summerset Property were members of Pointe Summerset Home Owners' Association pursuant to the terms of the Pointe Summerset Declaration, and

WHEREAS, all owners of Village Summerset Property were members of The Village at Summerset HOA, Inc pursuant to the terms of the Village Summerset Declaration; and

WHEREAS, the owners of lots in Pointe Summerset Property to which at least eighty percent (80%) of the votes in Pointe Summerset Home Owners' Association were allocated and the owners of lots in Village Summerset Property to which at least eighty percent (80%) of the votes in The Village at Summerset HOA, Inc. were allocated voted to approve the plan of merger which was adopted on February 20, 2014 ("Plan of Merger"), and

WHEREAS, pursuant to the Plan of Merger, The Village at Summerset HOA, Inc and Pointe Summerset Home Owners' Association shall merge and The Village at Summerset HOA, Inc. shall be the surviving corporation, all owners of Village Summerset Property

Pointe Summerset Property shall be members of the Association, and the Original Declarations shall be amended and restated as set forth in this Declaration

NOW, THEREFORE, the Association hereby covenants and declares on behalf of itself and its successors and assigns that the Original Declarations are hereby amended and restated in their entirety. The real estate previously made subject to the Original Declaration from the date this Declaration is recorded in the office of the Register of Deeds of New Hanover County shall be held, conveyed, acquired and encumbered subject to the terms and provisions hereof, all of which shall run with the real estate and bind and inure to the benefit of all current owners and perspective purchasers and parties who have or may acquire any right, title, estate or interest in or to any of such real estate or who have or may acquire any right or occupancy of or interest upon any portion thereof, all subject to the right of the Association to amend this Declaration according to its terms

Article 1. Amendment and Restatement of Original Declaration

The Original Declarations are hereby amended to delete and rescind the Original Declarations in their entirety, subject to Article 4 herein, and adopt in their place instead this Declaration

Article 2. Adoption of the North Carolina Planned Community Act.

Chapter 47F of the North Carolina General Statutes, and any subsequent amendments thereto, which is commonly known as the North Carolina Planned Community Act, applies to the Association, the Property, the Lots and all other aspects of the planned community.

Article 3. Definitions.

The terms used in this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

3.1 "Act"· Chapter 47F of the General Statutes of North Carolina designated as the North Carolina Planned Community Act

3.2 "Articles"· The Articles of Incorporation of The Village at Summerset HOA, Inc , as filed with the North Carolina Secretary of State

3.3 "Assessment" Assessments levied on all Lots to fund the Common Expenses.

3.4 "Association" The Village at Summerset HOA, Inc., a North Carolina nonprofit corporation, its successors and assigns

3 5 "Association Documents". Collectively the Articles of Incorporation, the Bylaws, this Declaration, the Rules and Regulations, the Design Guidelines adopted by the Association, if any, the Community-Wide Standard adopted by the Board and the Architectural Committee, and any resolutions adopted by the Board, all as may be amended, restated and revised from time to time. Any exhibit, schedule or amendment to an Association Document shall be considered a part of that document

3 6 "Benefited Assessment". Assessments levied under Section 12.4

3 7 "Board of Directors" or "Board": The body responsible for administration of the Association selected as provided in the Bylaws.

3 8 "Business and Trade": 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 family of the producer of such goods or services and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required

3 9 "Bylaws" The Bylaws of the Association as they may be amended from time to time

3 10 "Common Elements": All real and personal property in which the Association now or hereafter owns, leases or otherwise holds possessory or use rights for the common use and enjoyment of the Owners, including easements held by the Association for those purposes. The term shall include, without limitation, any recreational facilities, signage, landscaping, lawns, drainage or other easements as the same may be depicted on recorded plats of the Property, as that term is defined herein, landscape medians, roads, alleys, cul-de-sacs, ponds, wetlands and preservation areas. The term shall also include any and all permits issued or transferred to the Association and other such intangible property Notwithstanding this definition to the extent that the provisions of the Act apply to "Common Elements," including without limitation, the provisions of the N.C. Gen. Stat. § 47F-3-112, those provisions shall only apply to Common Elements as defined in the Act.

3.11 "Common Expenses" Any and all expenditures made by or financial liabilities and obligations of the Association, together with any allocations to reserves

3 12 "Community-Wide Standard": The standard of conduct, upkeep, or other activity generally prevailing throughout the Property. The standard shall be determined by the Board of Directors and the Architectural Control Committee (as defined in Section 13.2(a)) The standard may contain both objective and subjective elements, and may evolve and change as development progresses and as the needs and desires within the Property change

3 13 "Declaration" This Declaration and any exhibit, schedule or amendment thereto, all as may be amended, restated and revised from time to time.

3 14 "Design Guidelines" The architectural, design, development, and other guidelines, standards, controls, and procedures including but not limited to, application and review procedures, set forth in Article 13 and applicable to the Property

3 15 "Dwelling Unit": Any building or structure or portion of a building or structure situated upon a Lot which is intended for use and occupancy as an attached or detached residence for a single family

3 16 "Landscaping" Living plants, shrubs, trees, vegetation, ground coverings (including grass and sod) and appurtenant live/growing vegetative materials, straw, mulches, composting materials, pools (other than swimming pools), ornamental ponds, ornamental structures and any other living or non-living material or structure reasonably constituting a part of any or all of the foregoing installed upon a Lot

3 17 "Limited Common Elements" A portion of the Common Elements allocated by this Declaration or by operation of law for the exclusive use of one (1) or more but fewer than all of the Lots Limited Common Elements may also be shown on any map of the Property recorded in the Register of Deeds. Limited Common Elements shall include driveways, walkways, sidewalks and fenced portions of lawns as depicted on recorded plats of the Property

3 18 "Lot": A portion of the Property, whether improved or unimproved, other than Common Elements and property dedicated to the public, which may be independently owned and conveyed and which is separately identified on a map of all or any portion of the Property recorded in the Register of Deeds. The term shall refer to the land, if any, which is part of the Lot as well as any improvements thereon, including but not limited to the Dwelling Unit

3 19 "Member" A Person having membership in the Association consistent with Section 5.2 of this Declaration.

3 20 "Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.

3 21 "Mortgagee": A beneficiary or holder of a Mortgage

3 22 "Owner": One (1) or more Persons who hold the record title to any Lot, except Persons holding an interest merely as security for the performance of an obligation in which case the equitable owner will be considered the Owner

3.23 "Permit" North Carolina Stormwater Management Permit Nos. SW8 950841 and SW8 981109 issued for the real property described in Exhibit "A", and any additional North Carolina Stormwater Management Permits, applicable to the Property, and any amendments, additions or replacements thereof

3.24 "Person" A natural person, corporation, limited liability company, partnership, trust, or any other legal entity.

3.25 "Property". The real property described in Exhibit A.

3.26 "Register of Deeds": The office of the Register of Deeds of New Hanover County, North Carolina

3.27 "Stormwater Management Facilities" All areas consisting of ditches and swales, retention ponds and other improvements which are constructed pursuant to, and regulated by, any of the Permits.

3.28 "Upkeep" Care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction.

3.29 "Use Restrictions" The rules and use restrictions are more fully defined as set forth in Article 14

3.30 "Utility Company" A public or private company or entity duly licensed and authorized by the North Carolina Utilities Commission to provide utility services within a specified franchise area and any entity providing utility services on behalf of a body politic, municipality or other governmental body or entity

Article 4. Property Rights.

4.1 Easements in Original Declaration Notwithstanding the replacement of the Original Declarations with this Declaration, all easements created and described in the Original Declarations shall be easements appurtenant to, and shall run with, the land by whomsoever owned, whether or not the same shall be contained or referred to in any future deed or conveyance, and shall at all times inure to the benefit and be binding upon the Association and the Owners, all their grantees and their respective heirs, successors, personal representatives or assigns

4.2 Common Elements Every Owner shall have a right and nonexclusive easement, in common with all other Owners, of use, access, and enjoyment in and to the Common Elements, subject to

- (a) The Association Documents and any other applicable covenants;

- (b) Any restrictions or limitations contained in any deed conveying such property to the Association,
- (c) All applicable provisions of the Act including, but not limited to, the following:
 - (i) The right of the Board, subject to Article 14, to adopt rules, regulations or policies regulating the use and enjoyment of the Common Elements;
 - (ii) The right of the Association to dedicate or transfer all or any part of the Common Elements to governmental entities pursuant to Section 6 3,
 - (iii) The right of the Association to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred by the Association, and
 - (iv) The right of the Association to convey or encumber portions of the Common Elements as provided in the Act.
- (d) The right of the Board to suspend the privilege of an Owner to use the Common Elements

Article 5. Association Function, Membership and Voting Rights.

5 1 Function of Association. The Association shall be the entity responsible for management, Upkeep, operation and control of the Common Elements. The Association shall be the primary entity responsible for enforcement of the Association Documents. The Association shall perform its functions in accordance with the Association Documents and North Carolina law. The Association shall have all powers reasonably necessary to perform its functions and obligations described in the Association Documents including, but not limited to, all powers set forth in N C Gen. Stat. Chapter 55A and the Act. Unless otherwise specifically provided in the Association Documents, all rights, powers, easements, obligations, and duties of the Association may be performed by the Board on behalf of the Association and the Board shall have the authority to delegate to Persons of its choice such duties as may be determined by the Board to be expedient.

5 2 Membership. Every Owner shall be a Member of the Association. If a Lot is owned by more than one Person, all co-Owners shall be Members and share the privileges of such membership, subject to reasonable Board regulations, and the restrictions on voting set forth in Section 5 3 and in the Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner which

is a corporation, limited liability company, partnership or other legal entity may be exercised by any officer, director, manager, partner, or trustee, or by any other individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association

5 3 Voting All Owners shall have one (1) equal vote for each Lot in which they hold the interest required for membership under Section 5.2, provided, there shall be only one (1) vote per Lot. Except as otherwise specified in this Declaration or the Bylaws or as required by law, the vote for each Lot shall be exercised by the Owner. In any situation in which there is more than one (1) Owner of a particular Lot, the vote for such Lot shall be exercised as such co-Owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting. Absent such notice to the Association, the Lot vote shall be suspended if more than one Person seeks to exercise it. If the co-Owners are unable to agree on how the vote should be cast, it will be disregarded.

Article 6. Association Rights, Obligations and Services

6 1 Personal Property and Real Property for Common Use. The Association may acquire, hold, and dispose of tangible and intangible personal property and real property

6 2 Implied Rights, Board Authority The Association may exercise any right or privilege given to it expressly by the Association Documents or which may be reasonably implied from, or reasonably necessary to effectuate, any such right or privilege. Except as otherwise specifically provided in the Association Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership

6 3 Dedication of Common Elements. The Association may dedicate or grant easements over portions of the Common Elements to any local, state, or federal governmental entity or any Utility Company

6 4 Disclaimer of Liability The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to promote the health, safety and welfare of Owners and occupants of any Lot. Notwithstanding anything contained herein or in the Association Documents or the Act, neither the Association, the Board, nor the management company of the Association shall be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner or occupant of any Lot or any tenant, guest or invitee of any Owner or occupant or for any property of any such Persons. Each Owner and occupant of a Lot and each tenant, guest and invitee of any Owner or occupant shall assume all risks associated with the use and enjoyment of the Property.

6.5 Safety. The Association may maintain or support certain activities within the Property designed to provide a greater level of safety than exists within the Property. Neither the Association nor any management company of the Association shall in any way be considered insurers or guarantors of safety within the Property, nor shall they be held liable for any loss or damage for failure to provide adequate safety or ineffectiveness of safety measures undertaken.

6.6 Change of Use of Common Elements. Upon adoption of a resolution by the Board stating that, in the Board's opinion the present use of a designated part of the Common Elements is no longer in the best interest of the Owners or is no longer necessary or appropriate for the purposes intended, the Board shall have the power and right to change the use of any Common Elements (and, in connection therewith, construct, reconstruct, alter or change the buildings, structures and improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided that any such new use (1) shall be for the benefit of the Owners, and (2) shall be consistent with any deed restrictions and zoning regulations restricting or limiting the use of the Common Elements.

6.7 View Impairment. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

6.8 Relationship with Tax-Exempt Organizations. The Association may create, enter into agreements or contracts with, grant exclusive and/or non-exclusive easements over the Common Elements to, or transfer portions of the Common Elements to non-profit, tax-exempt organizations, including but not limited to organizations that provide facilities or services designed to meet the physical or social needs of a particular group or class of persons, for the benefit of the Property, the Association, its Members and residents.

Article 7. Maintenance.

7.1 Association's Responsibility. The Association shall provide Upkeep for the Common Elements (with the exception of Limited Common Elements which shall be maintained pursuant to Section 7.2 herein), which shall include, but need not be limited to:

(a) all Common Elements and all improvements upon the Common Elements,

(b) all Landscaping, signage, and improvements, including any entrances, structures, bike paths, pathways and trails, situated upon the Common Elements; provided, however, each Owner shall be responsible for the costs of irrigating that portion of the Common Elements, the irrigation of which is allocated to their Lot;

(c) all private streets and alleys, including any asphalt repairs thereto, situated upon the Common Elements,

(d) all walls and fences constructed as Common Elements,

(e) Landscaping within any public utility easements and scenic or access easements within the Common Elements (subject to the terms of any easement agreement relating thereto);

(f) The well and associated irrigation system used to water the Common Elements

The Association may also maintain and improve other property which it does not own, including, without limitation, property dedicated to public use, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard and if otherwise permitted by applicable law

Except as otherwise specifically provided herein, all costs for Upkeep of the Common Elements shall be a Common Expense allocated among all Lots as part of an Assessment, without prejudice to the right of the Association to seek reimbursement from the Persons responsible for, such work pursuant to this Declaration, other recorded covenants, or agreements with such Persons.

7.2 Owner's Responsibility Each Owner shall provide for the Upkeep of his or her Lot and Dwelling Unit and all other structures and other improvements upon the Lot, and all Limited Common Elements, including all improvements constructed thereon, allocated to his or her Lot in a manner consistent with the Community-Wide Standard and all applicable covenants, unless such responsibility for Upkeep is otherwise assumed by or assigned to the Association. Each Owner shall also be responsible for maintaining the irrigation system allocated to his or her Lot, shall operate the irrigation system pursuant to the standards in the rules and regulations to assure the continuing good health and appearance of the grass and other Landscaping consistent with the Community Wide Standard, and shall be responsible for the costs of operating the irrigation system

In addition to any other enforcement rights, if an Owner fails properly to perform his or her Upkeep responsibility, the Association may enter the Owner's Lot and perform such work for Upkeep and assess all costs incurred by the Association against the Lot and the Owner in accordance with Section 12.4. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation

7.3 Standard of Performance. Upkeep may include irrigation as the Board may determine necessary or appropriate to satisfy the Community-Wide Standard. All Upkeep shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants, as determined by the Board

Some portions of the Property may be environmentally sensitive and/or may provide greater aesthetic value than other portions of the Property. The Board may establish a higher Community-Wide Standard for such areas and require additional Upkeep for such areas to reflect the nature of such property

Notwithstanding anything to the contrary contained herein, neither the Association, nor any Owner shall be liable for property damage or personal injury occurring on, or arising out of the condition of, property which it does not own unless and only to the extent that it has been negligent in the performance of its maintenance responsibilities.

Article 8. Insurance and Casualty Losses

8.1 Association Insurance The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect if reasonably available the following types of insurance

(a) Blanket property insurance covering risks of physical loss on an "all-risk" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the Common Elements to the extent that the Association is responsible for maintenance, repair and/or replacement in the event of a casualty. If such coverage is not generally available at a reasonable cost, then "broad form named perils" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full insurable replacement cost of the insured property. This provision for blanket property insurance shall not be construed to require the Association to obtain coverage for any structure owned by any party other than the Association. The Association may elect to provide insurance for said structures with the approval of a majority of the Owners or if such individual coverage is not available,

(b) Commercial general liability insurance on the Common Elements, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf and including coverage for non-owned automobile liability. If generally available at reasonable cost, the commercial general liability insurance shall have a limit of at least One Million and No/100 Dollars (\$1,000,000 00) per occurrence with respect to bodily injury, personal injury, and property damage,

(c) Directors and officers liability insurance or equivalent association liability insurance,

(d) Such additional insurance, including but not limited to workers compensation, commercial crime, fidelity, flood, earthquake and hurricane insurance, as the Board in its best business judgment determines advisable; and

If the insurance described in subsection (a) of this Section is not reasonably available, the Association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Owners

8 2 Association Policy Requirements Prior to the renewal of any insurance policy, the Association shall arrange for a review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be familiar with insurable replacement costs in the New Hanover County, North Carolina, area

Premiums for all insurance on the Common Elements shall be Common Expenses and shall be included in an Assessment. In the event that insurance costs increase during the fiscal year, the Board may levy an Assessment for the increased costs pursuant to Section 12.5 herein, and such Assessments shall become effective upon approval by the Board

The policies may contain a reasonable deductible as determined by the Board and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the coverage required hereunder. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard, that the loss is the result of the negligence or willful conduct of one or more Owners, their family members, guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Lots in accordance with Section 12 4

All insurance coverage obtained by the Board shall comply with the provisions of Gen. Stat. § 47F-3-113

8 3 Owner's Insurance The Association shall have no responsibility to provide insurance for any portion of any Lot except as stated in Section 8 1(a) or any Limited Common Element. Owners may carry property insurance covering risks of physical loss for both the Dwelling Unit and for any other insurable improvements on their Lot and those Limited Common Elements allocated to their Lot. Each Owner covenants and agrees that in the event of damage to or destruction of the Dwelling Unit or other structures on or comprising his or her Lot or Limited Common Elements, he or she shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 13 of this Declaration. Alternatively, the Owner shall clear the Lot and Limited Common Elements of all debris and ruins and maintain the Lot in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds

8 4 Loss Adjustment, Repair and Proceeds With respect to any loss covered by the policy (or policies) of the Association, it shall be adjusted by the Association and matters pertaining to the disbursement of proceeds of such insurance and the repair or replacement, including termination of the planned community, shall be governed by the provisions of Chapter 47F-3-113(d) and (g) of the Act.

Article 9. No Partition; Subdivision.

Except as permitted in this Declaration, the Common Elements shall remain undivided, and no Person shall bring any action for partition of the whole or any part thereof without the written consent of all Owners and Mortgagees. No Lot may be subdivided without the written consent of the Board.

Article 10. Permit Transfer, Responsibilities and Covenants.

10.1 Administration of Permit From and after the date of transfer of a Permit to the Association, the oversight, supervision, management and administration of the Permit shall be the sole responsibility of the Association. The Association's duties with respect to the Permit shall be carried out in accordance with the terms and conditions of the Association Documents and the Permit.

10.2 Easement for Upkeep and Enforcement. The Association hereby is granted and conveyed an easement over, under and upon each Lot for the purpose of access to and Upkeep of all Stormwater Management Facilities and to enforce all requirements of the Permits. All Owners, and all employees, tenants, guests, and invitees of any Owner shall comply with and abide by the terms and provisions of any and all Permits applicable to the Property, including maximum built-upon area limits.

10.3 Permit Covenants. To ensure ongoing compliance with State Stormwater Management Permit Number SW8 981109, as issued by the Division of Water Quality under NCAC 2H 1000, the following covenants and restrictions are hereby imposed upon the Property.

(a) The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Permit.

(b) These covenants are to run with the land and be binding on all persons and parties claiming under them.

(c) 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.

(d) Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division of Water Quality.

(e) The maximum built-upon area per lot is 7,000 square feet. The maximum built-upon area limits set forth in this subsection (g) shall only apply to lots in Cavalier Woods, a neighboring community that is also subject to Stormwater Management Permit Number SW8 981109. The maximum built-upon area for Lots within the Property shall be as set forth in the applicable Permit. This allotted amount

includes any built-upon area constructed within the lot property boundaries, and that portion of the right-of-way between the front lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina and parking areas, but does not include raised, open wood decking, or the water surface of swimming pools

(f) All runoff 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 and directing them into the pond or street. Lots that will naturally drain into the system are not required to provide these measures

(g) Built-upon area in excess of the permitted amount will require a Permit modification.

Article 11. Annexation of Property With Approval of Membership

(a) The Association may subject any contiguous property to the provisions of this Declaration with the consent of the owner of such property and the affirmative vote of Owners representing sixty-seven percent (67%) of the votes of the Association

(b) Such annexation shall be accomplished by recording a supplemental declaration in the Register of Deeds describing the property to be annexed and specifically subjecting it to the terms of this Declaration. Any such supplemental declaration shall be signed by the President of the Association, and by the owner of the annexed property. Any such annexation shall be effective upon the recording unless otherwise provided therein.

Article 12. Assessments

12.1 Creation of Assessments

(a) The Association shall levy assessments against each Lot for Common Expenses as the Board may specifically authorize from time to time. There shall be three (3) types of assessments for Association expenses: (a) Assessments to fund Common Expenses for the general benefit of all Lots, (b) Benefited Assessments as described in Section 12.4, and (c) Special Assessments as described in Section 12.5. Each Owner, by accepting a deed or entering into a recorded contract of sale for any Lot within any portion of the Property is deemed to covenant and agree to pay these assessments.

(b) All assessments, together with interest from the due date of such assessment at a rate determined by the Association (not to exceed the highest rate allowed by North Carolina law), late charges, costs, including lien fees and administrative costs, and reasonable attorneys' fees, shall be a charge and continuing lien upon each Lot against which the assessment is levied until paid, as more particularly provided in Section 12.6. Each such

assessment, together with interest, late charges, costs, including lien fees and administrative costs, and reasonable attorneys' fees, also shall be the personal obligation of the Person who was the Owner of such Lot at the time the assessment was levied. Upon a transfer of title to a Lot, the grantee shall not be personally liable for any assessments which accrued prior to such acquisition of title. No first Mortgagee which obtains title to a Lot by exercising the remedies provided in its Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

(c) All assessments shall be paid in such manner and by such dates as the Board may establish. Unless the Board otherwise provides, an Assessment for each Lot shall be due and payable in advance each year on the first day of the fiscal year of the Association

(d) The Association shall, upon request by an Owner, furnish to any Owner a certificate in writing signed by an officer of the Association setting forth whether assessments for such Owner's Lot have been paid and any delinquent amount. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate

(e) No Owner may exempt himself or herself from liability for assessments, by non-use of Common Elements, abandonment of his or her Lot or Dwelling Unit, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it or for inconvenience or discomfort arising from repairs or improvements or other action taken by it

12.2 Computation of Annual Assessment Not less than sixty (60) days before the beginning of each fiscal year, the Board shall prepare a budget covering the Common Expenses estimated to be incurred during the coming year. The budget shall include a capital contribution to establish a reserve fund in accordance with a budget separately prepared as provided in Section 12.3

Within thirty (30) days after adoption of any proposed budget by the Board, the Board shall provide to all Owners a summary of the budget and notice of a meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Board shall set a date for a meeting of the Owners to consider ratification of the budget. Such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary of the budget and notice of the meeting. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless, at that meeting, a majority of all the Owners in the Association rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board. The Assessment for the fiscal year shall be determined based upon the budget adopted by the Board and ratified by the Owners.

12.3 Reserve Budget and Special Reserve Assessment. The Board shall prepare, on an annual basis, reserve budgets for general purposes which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost of each asset. Such reserve budgets may also anticipate making additional capital improvements and purchasing additional capital assets. The Board shall include in the Assessments reserve contributions in amounts sufficient to meet these projected needs, if any.

The Board may adopt resolutions regarding the expenditure of reserve funds, including policies designating the nature of assets for which reserve funds may be expended. Such policies may differ for general Association purposes.

12.4 Benefited Assessments. The Board may levy Benefited Assessments against particular Lots for expenses incurred or to be incurred by the Association, as follows:

(a) to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot or occupants thereof upon request of the Owner which benefits items, or services are not provided to all Lots, and

(b) to cover costs incurred in bringing the Lot or Limited Common Elements into compliance with the terms of the Association Documents and the Act or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their family members, tenants, invitees, or guests, provided, the Board shall give the Lot Owner prior written notice and an opportunity for a hearing before levying a Benefited Assessment under this subsection (b), and

(c) to cover the costs (operating, maintenance, repair, and replacement) of irrigating lawns through the use of wells maintained and operated by the Association, provided, however, such amount shall be determined based upon each Owner's time of usage of the well. For example, if the monthly electric bill for running the well is \$100.00 and 80% of the time was used to water Common Elements not allocated to a Lot for said month, the Owner or Owners would be responsible for 20% of the electric bill.

12.5 Special Assessments. In addition to other authorized assessments, the Board may levy Special Assessments equally against all Lots from time to time to cover unbudgeted expenses or expenses in excess of those budgeted, including, without limitation, the cost of any construction, repair, replacement or repaving of capital improvements, including the roads. The Board may, without Member approval, levy Special Assessments that are: (i) not in excess of \$100.00 per Lot or (ii) necessary to comply with any law or requirement of a governmental entity. The Board may levy Special Assessments in excess of \$100.00 per Lot for any reason provided that such Special Assessments are approved by the vote of a majority of the Members present in person or by proxy at a meeting duly called for such purpose. Special

Assessments shall be payable in such manner and at such times as determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

12 6 Lien for Assessments. All assessments authorized in this Article shall constitute a lien against the Lot against which they are levied, as provided in N C. Gen Stat. § 47F-3-116, as amended, until paid unless otherwise specifically precluded in this Declaration. The lien shall also secure payment of interest (subject to the limitations of North Carolina law), late charges, and costs of collection (including attorneys' fees, lien fees and administrative costs). Such lien shall be superior to all other liens, except (a) those superior by law, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. The Association may enforce such lien, when any assessment or other charge is delinquent, by suit, judgment, and foreclosure.

The Association may bid for the Lot at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Lot. While a Lot is owned by the Association following foreclosure (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it, and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Lot had it not been acquired by the Association. The Association may sue for unpaid Common Expenses and costs without foreclosing or waiving the lien securing the same.

The sale or transfer of any Lot shall not affect the assessment lien or relieve such Lot from the lien for any subsequent assessments. However, a Mortgagee holding a first Mortgage of record or other purchaser of a Lot who obtains title pursuant to foreclosure of the Mortgage shall not be personally liable for assessments on such Lot due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Lots, including such acquirer, its successors and assigns.

12 7 Acceleration. In any case where an assessment or other charge is payable in installments, upon a default by such Owner in the timely payment of any two (2) consecutive installments, the maturity of the remaining total of the unpaid installments of such assessment or other charge may be accelerated, at the option of the Board, and the entire balance of the assessment or other charge may be declared due and payable in full by the service of such notice to such effect upon the defaulting Owner.

12 8 Failure to Assess. Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time the Association may retroactively assess any shortfalls in collections.

12.9 Exempt Property The following property shall be exempt from payment of Assessments. (i) all Common Elements; and (ii) all property dedicated to and accepted by any governmental authority or Utility Company

12.10 Working Capital Contribution Upon the conveyance of a Lot by an Owner, the new Owner shall contribute at the closing of said Lot an amount equal to one-sixth (1/6) of the annual Assessment levied for the current fiscal year against such Lot, said sum to be paid to the Association. Such funds will be used solely for deposit into the reserve fund described in Section 12.3. Amounts paid into the reserve fund pursuant to this Section 12.10 shall not be considered advanced payment of Assessments

Article 13. Architectural and Design Standards

13.1 General. No improvements (including staking, clearing, excavation, grading and other site work), exterior alteration of existing improvements (including painting), placement or posting of any object or thing on the exterior of any Lot, Dwelling Unit, other structure or the Common Elements (e.g., signs, mailboxes, mailbox posts, accessory buildings, antennae, satellite dishes, clotheslines, playground equipment, temporarily or permanently installed basketball goals, pools, propane tanks, lighting, temporary structures, and artificial vegetation), planting or removal of Landscaping, or installation or removal of a well or an irrigation system shall take place except in compliance with this Article, this Declaration, including the Use Restrictions, and the Design Guidelines and with the approval described in Section 13.2

Any Owner may remodel, paint or redecorate the interior of structures including the Dwelling Unit on his or her Lot without approval. However, modification of the exterior and modifications to the interior of screened porches, patios, and similar portions of a Lot visible from other Lots, Dwelling Units, Common Elements or streets (public or private) within the Property shall be subject to this Article and approval as set forth below

13.2 Architectural and Design Review

(a) New Construction. The Board may create and appoint an Architectural Control Committee ("ACC"). The ACC shall consist of at least three (3), but not more than five (5), Persons, who must be Owners, who shall serve and may be removed in the Board's discretion.

(b) Fees. The ACC may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers or other professionals. The Association may employ architects, engineers, or other persons as deemed necessary to perform the review. The Board may include the compensation of such persons in the Association's annual operating budget as a Common Expense

(c) Security Deposit The ACC may require posting of a security deposit by an Owner to be utilized for the payment of any fines and costs of enforcement in accordance with Section 13 8, or the repair of any damage to any Common Elements, or providing Upkeep of such Common Elements in excess of normal Upkeep as may occur during construction on the Lot The amount and type of security may be changed from time to time by the ACC

13 3 Guidelines and Procedures. The ACC shall prepare Design Guidelines which shall apply to all construction activities within the Property, except as provided in Section 13 1 The ACC shall have authority to amend the Design Guidelines, with the Board's consent. Within thirty (30) days after the adoption of any amended Design Guidelines, the ACC shall provide a copy or summary of the amended Design Guidelines to all Owners

The Design Guidelines may contain general provisions applicable to all of the Property, as well as specific provisions which vary from one portion of the Property to another depending upon the location, unique characteristics, intended use, and any other applicable zoning ordinances. The Design Guidelines are intended to provide guidance to Owners regarding matters of particular concern in considering applications hereunder. The Design Guidelines are not the exclusive basis for decisions of the ACC and compliance with the Design Guidelines does not guarantee approval of any application.

Any amendments to the Design Guidelines shall apply to construction and modifications commenced after the date of such amendment only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Design Guidelines The ACC is expressly authorized to amend the Design Guidelines to remove requirements previously imposed or otherwise to make the Design Guidelines less restrictive, subject to the Board's consent.

The Association shall make the Design Guidelines available to Owners (including builders) and contractors who seek to engage in development or construction within the Property and all such Persons shall conduct their activities in accordance with such Design Guidelines

All structures and improvements constructed upon a Lot shall be constructed in strict compliance with the Design Guidelines in effect at the time the plans for such improvements are submitted to and approved by the ACC, unless the ACC has granted a variance in writing pursuant to Section 13 6 So long as the ACC has acted in good faith, its findings and conclusions with respect to appropriateness of, applicability of or compliance with the Design Guidelines and this Declaration shall be final.

13 4 Submission of Plans and Specifications.

(a) No activities within the scope of Section 13.1 shall commence on any Lot until an application for approval of the proposed work has been submitted to and

approved by the ACC. Such application shall be in the form required by the ACC and shall include plans and specifications ("Plans") showing layout, size, structural design, exterior elevations, exterior materials and colors, signs, landscaping, drainage, lighting, irrigation, utility facilities layout and screening therefore and other features of proposed construction, as applicable. The Plans shall also include all applicable permits and approvals and any other information requested by the ACC

(b) In reviewing each submission, the ACC may consider quality of workmanship and design, visual and environmental impact, ecological compatibility, natural platforms and finish grade elevation, harmony of external design with surrounding structures and environment, and location in relation to surrounding structures and plant life. The ACC shall also review the installation or modification of irrigation systems

The ACC shall, within thirty (30) days of receipt of the Plans, advise the party submitting the same, in writing, at an address specified by such party at the time of submission, of (i) the approval of Plans, or (ii) the segments or features of the Plans which are deemed by such committee to be inconsistent or not in conformity with this Declaration and/or the Design Guidelines, the reasons for such finding, and suggestions for the curing of such objections. In the event the ACC fails to advise the submitting party by written notice within thirty (30) days of either the approval or disapproval and suggestions for curing the objections of the committee of the Plans, approval shall be deemed to have been given. Notice shall be deemed to have been given at the time the envelope containing such notice, properly addressed, and postage prepaid, is deposited with the U S Postal Service, registered or certified mail, return receipt requested. Personal delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery to the submitting party

(c) If construction does not commence on a project for which Plans have been approved within sixty (60) days of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to resubmit the Plans to the ACC for reconsideration provided that the ACC may grant a longer time period for expiration of the approval at the time the approval is granted. If construction is not completed on a project for which plans have been approved within six (6) months or as otherwise set forth in the approval, such approval shall be deemed withdrawn, and such incomplete construction shall be deemed to be in violation of this Article

13.5 No Waiver of Future Approvals. Each Owner acknowledges that the members of the ACC will change from time to time and that interpretation, application and enforcement of the Design Guidelines may vary accordingly. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval

13 6 Variances. The ACC may authorize variances in writing from its guidelines and procedures, but only

(a) in accordance with duly adopted rules and regulations,

(b) when unique circumstances dictate such as unusual topography, natural obstructions, hardship or aesthetic or environmental considerations, and (c) when construction in accordance with the variance would be consistent with the purposes of the Declaration and compatible with existing and anticipated uses of adjoining properties
Inability to obtain, or the terms of, any governmental approval, or the terms of any financing shall not be considered a hardship warranting a variance.

13 7 Limitation of Liability Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and neither the Association, the Board, nor the ACC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, governmental requirements, and any other restrictions Neither the Association, the Board, nor the ACC or any member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Lot In all matters, the ACC and their members shall be defended and indemnified by the Association as provided in the Bylaws

13 8 Enforcement Any construction, alteration or other work done in violation of this Article or the Design Guidelines shall be deemed to be nonconforming. Upon written request from the ACC or the Board, Owners shall, at their own cost and expense and within such reasonable time frame as set forth in such written notice, cure such nonconformance to the satisfaction of the requester or restore the property, Lot and/or Dwelling Unit to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, the Association shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as previously existed. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefited Lot and collected as a Benefited Assessment unless otherwise prohibited in this Declaration

All approvals granted hereunder shall be deemed conditioned upon completion of all elements of the approved work and all work previously approved with respect to the same Lot, unless approval to modify any application has been obtained In the event that any Person fails to commence and diligently pursue to completion all approved work, the Association shall be authorized, after notice to the Owner of the Lot and an opportunity to be heard in accordance with the Bylaws, to enter upon the Lot and remove or complete any incomplete work and to assess all costs incurred against the Lot and the Owner thereof as a Benefited Assessment unless otherwise prohibited in this Declaration

All acts by any contractor, subcontractor, agent, employee, or invitee of an Owner shall be deemed as an act done by or on behalf of such Owner. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Design Guidelines may be excluded from the Property, subject to the notice and hearing procedures contained in the Declaration. In such event, the Association, its officers, or directors shall not be held liable to any Person for exercising the rights granted by this section

In addition to the foregoing, the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the ACC

Article 14. Use Restrictions

14.1 Applicability: Effect. The Property is subject to Design Guidelines as set forth in Article 13 and other restrictions governing land development, architectural and design control, individual conduct and uses of or actions upon the Property. This Declaration, including the Use Restrictions attached hereto as Exhibit B, and the rules and resolutions adopted by the Board or the Members establish affirmative and negative covenants, easements, and restrictions on the Property. All provisions of this Declaration and any rules shall apply to all Owners, their contractors, family members, occupants, tenants, guests and invitees of any Lot.

14.2 Authority to Promulgate Rules.

(a) Subject to the terms of this Article and in accordance with its duty of care and undivided loyalty to the Association and its Members, the Board may propose rules not inconsistent with the Use Restrictions set forth in Section 14.4 hereof, and other such rules and regulations permitted by, and not inconsistent with, the Act, including such rules and regulations relating to the use of, and parking and traffic, on public and private streets located within the Property, provided, however, no rules shall become effective until approved by the membership as set forth in subsection (b) of this section

(b) The Owners, at a meeting duly called for such purpose, shall vote to adopt rules which are proposed by the Board. The rules are successfully adopted by the affirmative vote of Owners representing a majority of votes in attendance (in person and by proxy) at such meeting.

(c) Once approved by the Owners the Board shall send a copy of the rule to each Owner specifying the effective date of Owner approval. The Association shall provide, without cost, a copy of the rules then in effect to any requesting Member or Mortgagee

(d) Nothing in this Article shall authorize the Board or the Owners to modify, repeal or expand the Declaration, the Bylaws, the Articles, or the Design Guidelines. Such documents may be amended as provided therein.

14.3 Owners' Acknowledgment. All Owners are subject to the Use Restrictions and are given notice that (a) their ability to use their privately owned property is limited thereby; and (b) the Board, with the approval of the Owners as set forth herein, may adopt, delete, modify, create exceptions to, or amend the rules.

Each Owner by acceptance of a deed acknowledges and agrees that the use and enjoyment and marketability of his or her property can be affected by this provision and that the Use Restrictions and rules may change from time to time

14.4 Use Restrictions. The property described in Exhibit "A" shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices of the Association consistent with this Declaration), subject to applicable laws. The Property is also subject to the Use Restrictions described on Exhibit B.

14.5 Rights of Owners. Except as may be specifically set forth in the Use Restrictions, neither the Board nor the Owners may adopt any rule in violation of the following provisions:

(a) Equal Treatment. Similarly situated Owners and occupants shall be treated similarly

(b) Flags/Speech. The rights of Owners and occupants to display on their Lots flags, political signs, signs and symbols of the kinds normally displayed in or outside of residences located in single-family residential neighborhoods in individually owned property shall not be abridged; provided, however, the Board may adopt reasonable time, place, size, number and manner of display restrictions regulating flags, political signs, signs (including "For Sale" signs) and symbols which are visible from outside the Lots. Notwithstanding any provision of this Declaration, including without limitation the provisions of this Article 14, Owners shall be permitted to display the flag of the United States of America and/or the flag of the State of North Carolina on their Lots and no rule or regulation adopted by the Board of Directors nor any amendment to the Declaration adopted by the Association shall regulate or prohibit the display of the flag of the United States of America and/or the flag of the State of North Carolina, of a size no greater than four (4) feet by six (6) feet, which is displayed in accordance with or in a manner consistent with the patriotic customs set forth in 4 U.S.C §§ 5-10, as amended.

(c) Religious and Holiday Displays. The rights of Owners and occupants to display religious and holiday signs, symbols, and decorations on their Lots of the kinds normally displayed in residences located in residential neighborhoods shall not be abridged, except that the Association may adopt reasonable time, place, and manner restrictions regulating displays which are visible from outside the Lot

(d) Household Composition. No rule shall interfere with the

freedom of occupants of Dwelling Units to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Dwelling Unit on the basis of the size and facilities of the Dwelling Unit and its fair share use of the Common Elements

(e) Activities Within Dwelling Units. No rule shall interfere with the activities carried on within the confines of Dwelling Units, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Dwelling Units, that generate excessive noise or traffic, that create unsightly conditions visible outside the Dwelling Unit, or that create an unreasonable source of annoyance

(f) Allocation of Burdens and Benefits The initial allocation of financial burdens and rights to use Common Elements among the various Lots shall not be changed to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the use of the Common Elements as provided in Section 6.6, from adopting generally applicable rules, with the approval of the Owners as set forth herein, for use of Common Elements, or from denying use privileges to those who abuse the Common Elements, violate rules or this Declaration, or fail to pay assessments. This provision does not affect the right to increase the amount of assessments as provided in Article 12

(g) Abridging Existing Rights. Any rule which would require Owners to dispose of personal property being kept on the Property shall apply prospectively only and shall not require the removal of any property which was being kept on the Property prior to the adoption of such rule and which was in compliance with all rules in force at such time unless otherwise required to be removed by law.

The limitations in this Section 14 5 shall apply to rules only; they shall not apply to amendments to this Declaration adopted in accordance with Section 18 2

Article 15. Easements

15 1 Easements for Utilities, Etc. The Association shall have perpetual easements for the purpose of access and Upkeep upon, across, over, and under all of the Property to the extent reasonably necessary to install and provide Upkeep for cable television systems, master television antenna systems, security and similar systems, roads, walkways, bicycle pathways, trails, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas, and electricity The Association may assign these easements and rights to any Utility Company providing a service or utility to the Subdivision subject to the limitations herein.

This easement shall not entitle the holders to construct or install any of the

foregoing systems, facilities, or utilities over, under or through any Dwelling Unit on a Lot, and any damage to a Dwelling Unit resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the Person exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

The Utility Companies shall have easements across the Property for ingress, egress, installation, reading, and providing Upkeep of meters and boxes. However, the exercise of this easement shall not extend to permitting entry into the Dwelling Units on any Lot, nor shall any utilities be installed or relocated on the Property, except as approved by the Board.

15.2 Easements for Cross-Drainage. Every Lot and the Common Elements shall be burdened with easements for natural drainage of stormwater runoff from other portions of the Property, provided, no Person shall alter the natural drainage on any Lot to increase materially the drainage of stormwater onto adjacent portions of the Property without the consent of the Owner(s) of the affected property and the Board.

15.3 Right of Entry. The Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Association, to enter all portions of the Property, including each Lot, for emergency, security, and safety reasons. Such right may be exercised by the authorized agents of the Association, its Board, officers or committees, and by all police officers, firefighters, ambulance personnel, and similar emergency personnel in the performance of their duties. This easement includes the right to enter any Lot to cure any condition which increases the risk of fire or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board, but does not authorize entry into any Dwelling Unit without permission of the Owner, except by emergency personnel acting in their official capacities.

15.4 Easements for Maintenance and Enforcement. Authorized agents of the Association shall have the right, and a perpetual easement is hereby granted to the Association, to enter all portions of the Property, including each Lot to (a) perform its Upkeep responsibilities under Article 7, and (b) make inspections to ensure compliance with the Association Documents. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage shall be repaired by the Association at its expense.

The Association also may enter a Lot to abate or remove, using such measures as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the Bylaws, the Design Guidelines, or the rules. All costs incurred, including reasonable attorneys' fees, shall be assessed against the violator as a Benefited Assessment.

The Property is hereby burdened with perpetual, non-exclusive easements in favor of the Association for overspray of water from any irrigation system serving the Common Elements. The Association may use treated effluent in the irrigation of any Common Elements. Under no circumstances shall the Association be held liable for any damage or injury resulting from such overspray or the exercise of this easement.

Article 16. Mortgage Provisions.

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots in the Property. The provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein.

16.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder,

(b) Any delinquency in the payment of assessments or charges owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Declaration or Bylaws relating to such Lot or the Owner or Occupant which is not cured within sixty (60) days. Notwithstanding this provision, any holder of a first Mortgage is entitled to written notice upon request from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or Bylaws which is not cured within sixty (60) days, or

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

16.2 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Elements.

16.3 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

Article 17. Compliance and Enforcement

17 1 General Remedies Every Owner and occupant of any Lot shall comply with the Association Documents and the Act. Failure to comply shall be grounds for an action by the Association to recover sums due, for damages, injunctive relief or any other remedy available at law and equity or under the Act.

17 2 Enforcement/Sanctions. The Board or such other Association agent with the Board's approval, may impose sanctions for violations of Association Documents after notice and a hearing in accordance with the procedures set forth in the Declaration. Such sanctions may include, without limitation

(a) Imposing reasonable monetary fines which shall constitute a lien upon the Lot of the violator;

(b) Suspending an Owner's right to vote;

(c) Suspending any Person's right to use the Common Elements, provided, however, nothing herein shall authorize the Board to limit ingress or egress to or from the Lot,

(d) Suspending any services provided by the Association to an Owner or the Owner's Lot; and

(e) Levying Benefited Assessments to cover costs incurred in bringing a Lot into compliance in accordance with Section 12.4(b)

17 3 Self-Help Remedies. The Board or such other Association agent with the Board's approval, may elect to enforce any provision of the Association Documents by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations in accordance with any applicable ordinance(s) of New Hanover County, North Carolina) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedures set forth in Article 18 or in the Bylaws.

17 4 Cumulative Remedies/Attorneys' Fees The Association shall have all powers and remedies under the Act and the Association Documents which shall be cumulative of any remedies available at law or in equity. In any action to enforce the provisions of the Association Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

17 5 Association's Right Not to Take Action The Association shall not be obligated to pursue enforcement action in any particular case, such decisions to be within the discretion of the Board, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing, the Board may

determine that, under the circumstances of a particular case: (a) the Association's position is not strong enough to justify taking any or further action, or (b) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; or (c) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or justify expending Association funds; or, (d) it is not in the best interest of the Association, based upon hardship, expense or other reasonable criteria, to pursue enforcement action

Such a decision shall not be construed a waiver of the right of the Association to enforce such covenant, restriction, rule or provision at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction, rule or provision, nor shall it preclude any Owner from taking action at law or in equity to enforce the Association Documents.

17 6 Enforcement by Owner Nothing set forth in this Article 17 shall prevent any aggrieved Owner from instituting any available remedy in law or in equity for a violation of the Association Documents

Article 18. General Provisions

18 1 Term. This Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors, and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded. After such time, this Declaration shall be automatically extended for successive periods of ten (10) years, unless the Owners of Lots to which at least eighty percent (80%) of the votes in the Association are allocated agree to terminate this Declaration pursuant to N C Gen Stat. § 47F-2-118

18 2 Amendment

(a) By Owners. Except as otherwise specifically provided in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners to which at least sixty-seven percent (67%) of the total votes in the Association are allocated

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(b) Validity and Effective Date of Amendments Amendments to this Declaration shall become effective upon recordation in the Register of Deeds unless a later effective date is specified therein. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

18.3 Hearing Procedures. Except as may be otherwise specifically authorized by the Association Documents, and permitted by the Association Documents, the Board shall not (i) impose a fine or penalty, (ii) undertake permitted remedial action, or (iii) suspend voting or infringe upon other rights of a Member or other occupant of a Lot or Dwelling Unit for violations of the Association Documents, or for assessments or other amounts due and owing to the Association remaining unpaid for a period of thirty (30) days, or longer, unless and until the following procedure is completed

Written demand to cease and desist from an alleged violation shall be served upon the Responsible Person (for purposes of this Section 18.3, the "Responsible Person" shall be any Member, Owner, or occupant of a Lot or Dwelling Unit) specifying (i) the alleged violation; (ii) the action required to abate the violation, and (iii) a time period, not less than five (5) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation may result in the imposition of a sanction after notice and hearing if the violation is not continuing

(a) Notice At any time within twelve (12) months following receipt of notice of the alleged violation, the Board, or an adjudicatory panel appointed by the Board, shall serve the Responsible Person with a written notice of a hearing to be held by the Board of the Association in executive session or an adjudicatory panel appointed by the Board; provided, however, any adjudicatory panel appointed by the Board shall be composed of members of the Association who are not officers of the Association or members of the Board. The notice shall contain (i) the nature of the alleged violation; (ii) the time and place of the hearing, which shall not be less than ten (10) days from the giving of the notice; (iii) an invitation to attend the meeting and produce any statement, evidence and witness on his or her behalf, and (iv) the possible sanction to be imposed. The notice prescribed herein may be served by mailing a copy of said notice to the alleged violator by placing said notice in the United States mail, postage prepaid or by the delivery of said notice by an officer, director or agent of the Association to the Responsible Person or to any person who may be served on the Responsible Person's behalf

(b) Hearing. The hearing shall be held in executive session of the Board or an adjudicatory panel appointed by the Board pursuant to the notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who

delivered such notice. The notice requirement shall be deemed satisfied if the Responsible Person appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. In addition, a written statement of the results of the hearing and the sanction, if any, imposed shall be mailed by the United States mail, postage prepaid, by the Association to the violator.

(c) Appeal. If the hearing is held before an adjudicatory panel, following such hearing and notice of a decision adverse to the violator, the Responsible Person shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the managing agent of the Association, President or Secretary of the Association within fifteen (15) days after the date of the decision, said written notice to contain information by which the Board may notify the Responsible Person of the date of the appeal hearing. If no adjudicatory panel is appointed by the Board, no right of appeal shall exist.

(d) Sanction as Assessment. Pursuant to the provisions of this Section, a fine may be imposed by the Association in an amount not exceeding One Hundred and No/100 Dollars (\$100.00) (or any greater amount as may be provided otherwise by law or the Act) per violation of the Association Documents and without further hearing, for each day after five (5) days after the decision to impose such fine that the violation occurs. Any such fine shall be an assessment as set forth in this Declaration and the Act. If it is decided pursuant to the provisions of this Section that a suspension of privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

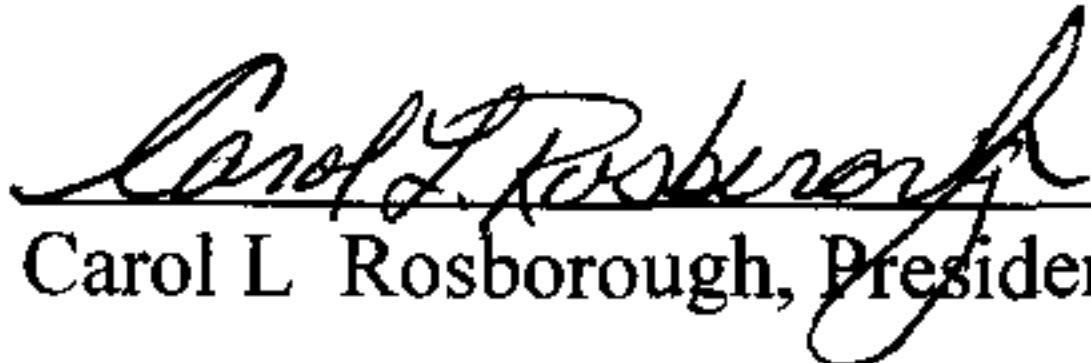
18.4 Severability. Invalidation of any provision of this Declaration, in whole or in part, or any application of a provision of this Declaration by judgment or court order shall in no way affect other provisions or applications.

18.5 Notice of Sale or Transfer of Title. Any Owner desiring to sell or otherwise transfer title to his or her Lot shall give the Board at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Lot, including assessment obligations, until the date upon which such notice is received by the Board, notwithstanding the transfer of title. The Association may require the payment of a reasonable administration or registration fee by the transferee.

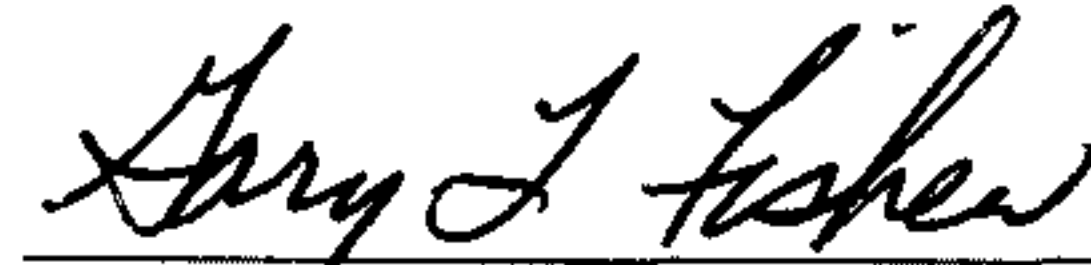
18.6 Attorneys' Fees. In the event of an action instituted to enforce any of the provisions contained in the Association Documents, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs, including administrative and lien fees, of such suit. In the event the Association is a prevailing party in such action, the amount of such attorneys' fees and costs shall be a Benefited Assessment with respect to the Lot(s) involved in the action.

IN WITNESS WHEREOF, The Village at Summerset HOA, Inc. and Pointe Summerset Home Owners' Association have caused this Declaration to be executed under seal and in such form as to be legally binding, effective the day and year upon recording this Declaration in the office of the Register of Deeds of New Hanover County, North Carolina.

THE VILLAGE AT SUMMERSET HOA, INC

By  (SEAL)
Carol L. Rosborough, President

POINTE SUMMERSET HOME OWNERS'
ASSOCIATION

By:  (SEAL)
Gary L. Fisher, President

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

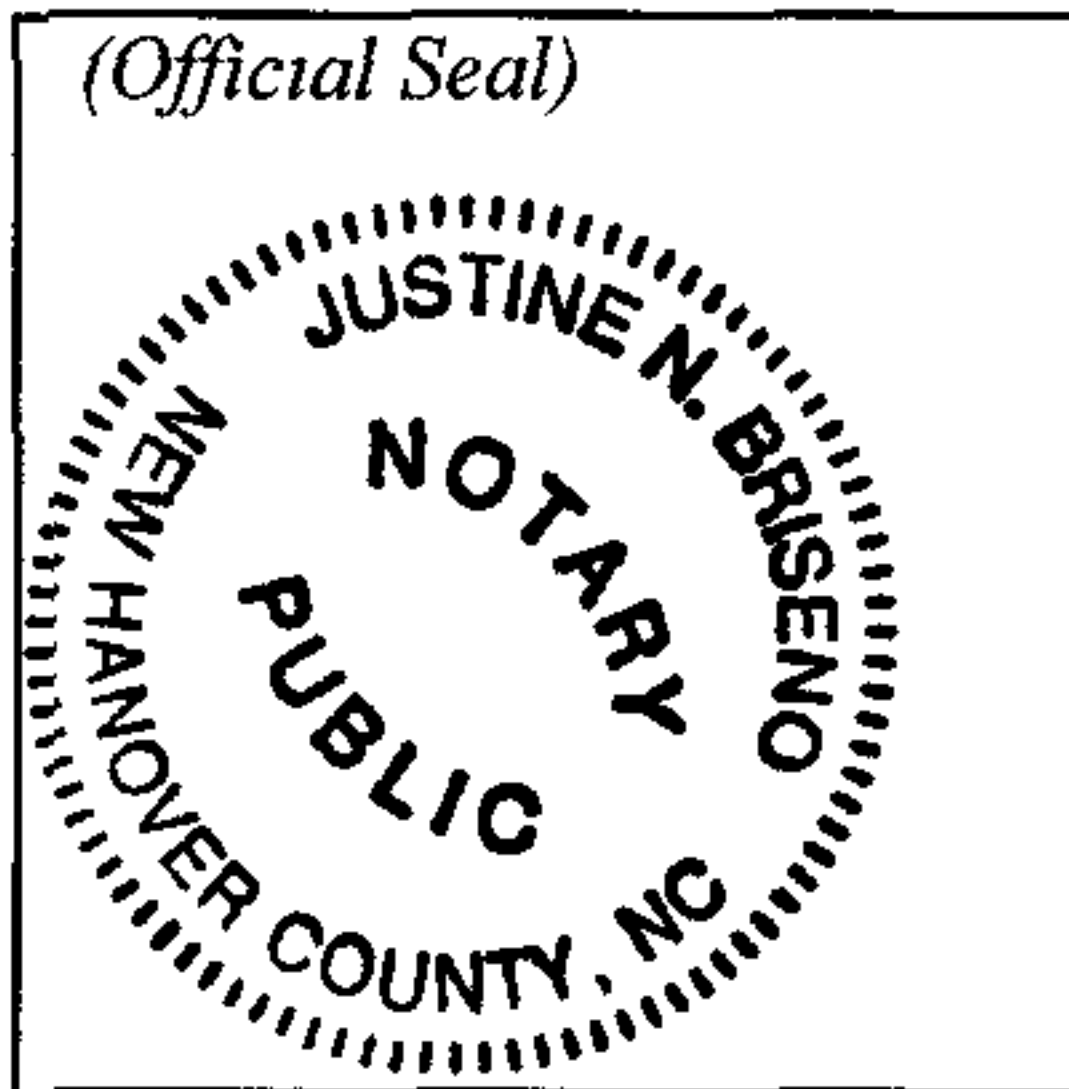
I certify that the following person personally appeared before me this day, acknowledging to me that he signed the foregoing document for the purpose(s) stated therein: Carol L Rosborough, President of THE VILLAGE AT SUMMERSET HOA, INC

Date 3-4-14

Justin N Briseno
Signature of Notary Public

Justin N Briseno
Notary's printed or typed name

My commission expires: 7-30-17



Notary seal or stamp must appear within this box

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

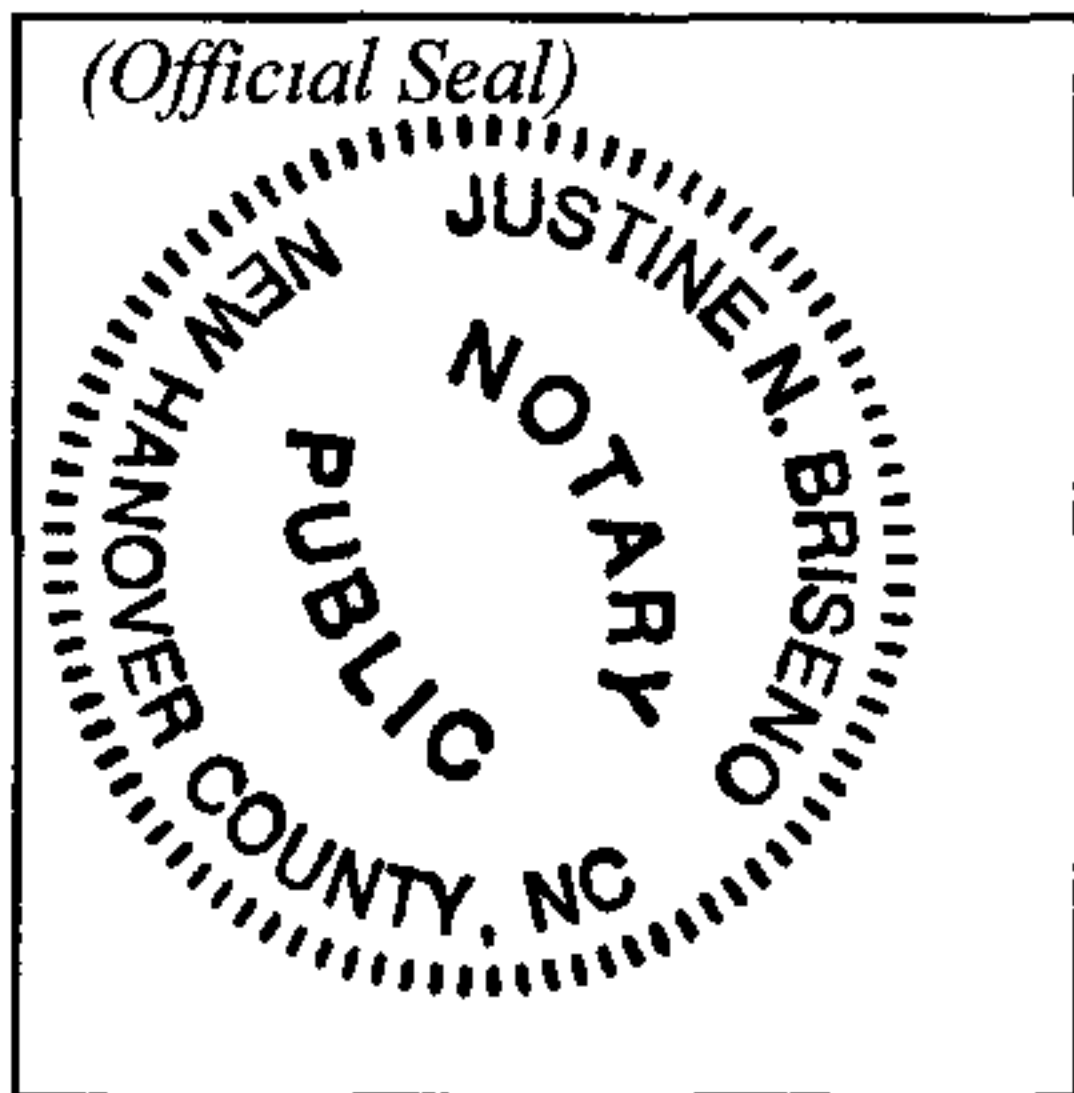
I certify that the following person personally appeared before me this day, acknowledging to me that he signed the foregoing document for the purpose(s) stated therein Gary L Fisher, President of POINTE SUMMERSET HOME OWNERS' ASSOCIATION

Date 3-4-14

Justin N. Briseno
Signature of Notary Public

Justin N. Briseno
Notary's printed or typed name

My commission expires: 7-30-17



Notary seal or stamp must appear within this box

131098-00001
ND 4819-6998-9399, v. 3

EXHIBITA

Property

Pointe Summerset Property

Those tracts or parcels of land lying and being situate in New Hanover County, North Carolina, and being more particularly shown and described on the plats recorded in Map Book 37, Page 279, Map Book 38, Page 64, Map Book 38, Page 168, Map Book 38, Page 335, Map Book 40, Page 392, Map Book 42, Page 152, Map Book 42, Page 268, Map Book 43, Page 65, Map Book 43, Page 151, and Map Book 44, Page 175, all in the office of the Register of Deeds of New Hanover County, North Carolina

Village Summerset Property

Those tracts or parcels of land lying and being situate in New Hanover County, North Carolina, and being more particularly shown and described on the plats recorded in Map Book 44, Page 283, Map Book 46, Page 126, Map Book 46, Page 282, Map Book 46, Page 353, Map Book 47, Page 140, Map Book 48, Page 335, Map Book 49, Page 73, Map Book 51, Page 72, Map Book 53, Page 51, and Map Book 58, at Page 320, all in the office of the Register of Deeds of New Hanover County, North Carolina

EXHIBIT B

Use Restrictions

The following restrictions shall apply to all of the Property until such time as they are amended, modified, repealed or limited pursuant to the Declaration

1 Use No Lot shall be used for any purpose other than as a single family residence. Except as otherwise provided herein, only one (1) single family dwelling designated for use as, and used as, a single family residential dwelling may be constructed, erected, used or allowed to remain on any Lot.

2 Restricted Activities. The following activities are prohibited within the Property unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors.

(a) Any activity which tends to cause an unclean, unsightly, unhealthy or unsafe condition to exist outside of enclosed structures on the Lot;

(b) Any activity which emits foul or obnoxious odors, fumes, dust, smoke, or pollution outside the Dwelling Unit or which creates noise, unreasonable risk of fire or explosion, or other conditions which are a nuisance,

(c) Use and discharge of firecrackers and other fireworks;

(d) Any activity which violates local, state or federal laws or regulations;

(e) Outside burning of trash, leaves, debris or other materials;

(f) Outdoor storage of goods, materials, or equipment, except that outdoor storage of building materials shall be permitted during construction on the Lot on which such materials are being stored;

(g) Any activity which would constitute a public or private nuisance,

(h) Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Lots, except alarm devices used exclusively for security purposes,

(i) Dumping grass clippings, leaves or other debris, petroleum products, fertilizers, cleaning materials, soaps, or other potentially hazardous or toxic substances in any storm sewer, drainage ditch, or other component of the storm drainage system serving the Property, any stream, pond, or lake, or elsewhere within

the Property, except that fertilizers may be applied to landscaping on Lots provided care is taken to minimize runoff,

(j) Use of any Lot for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Lot rotates among participants in the program on a fixed or floating time schedule over a period of years;

(k) On-site storage of gasoline, heating, or other fuels on Lots, except that a reasonable amount of propane gas and other fuel may be stored on each Lot for emergency purposes and operation of gas cooking grills, lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment, provided said fuel tanks shall be screened from view from other Lots, Common Elements or streets.

(l) Use of any Dwelling Unit for a Business or Trade, yard sale, garage sale, moving sale, rummage sale, or similar activity, except that an Owner or occupant residing in a Dwelling Unit may conduct business activities within the Dwelling Unit 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 Unit, (ii) the business activity conforms to all zoning requirements for the Property, (iii) the business activity does not involve door-to-door solicitation of residents of the Property, (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in the Property which is noticeably greater than that which is typical of Lots in which no business activity is being conducted, and (v) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board.

Leasing of a Dwelling Unit shall not be considered Business and Trade

(m) Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Property or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution.

(n) Vehicles and Parking. Vehicles, including without limitation, automobiles, trucks, boats, boat trailers, personal watercraft, trailers, motorcycles, campers, vans, and recreational vehicles, shall be parked and stored on Lots in accordance with rules and procedures determined by the Board. The Board may, pursuant to Articles 14 and 15, remove vehicles, trailer, boats, inoperable vehicles, commercial vehicles, and any other vehicles which are stored on a Lot in violation of the rules promulgated by the Board

(o) Any construction, erection, placement, or modification of anything, permanently or temporarily, upon a Lot or on the outside portions of the improvements on the

Lot, whether such portion is improved or unimproved, except as specifically authorized in Paragraph 4(d) of this Exhibit or after approval of the thing by ACC in writing, and otherwise in strict compliance with the provisions of the Declaration. This shall include, without limitation, signs, basketball hoops, swing sets and similar sports and play equipment; clotheslines; garbage cans; woodpiles, above-ground swimming pools; decks, docks, piers and similar structures, and hedges, walls, dog runs, animal pens, storage sheds, or fences of any kind.

(p) 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, modular 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.

(q) Removal, alteration, damage or change to any of the drainage facilities unless approved by the NC Division of Water Quality and the ACC.

(r) Placing or permitting to remain garbage or trash on any Lot except in covered containers of a type, size and style which are approved in accordance with Article 13 or as required by applicable governing authority. Except during construction activities upon the Lot, any such containers shall be kept inside garages or other structures on Lots or otherwise screened from view from other Lots or streets except when they are being made available for collection and then only for the shortest time reasonably necessary to effect such collection.

(s) Pets. The Association may adopt reasonable rules regarding household pets designed to minimize damage and disturbance to other Owners and occupants, including rules requiring damage deposits, waste removal, leash controls, noise controls, pet occupancy limits based on size and facilities of the Lot and fair share use of the Common Elements. Nothing in this provision shall prevent the Association from requiring removal of any animal that presents an actual threat to the health or safety of residents or from requiring abatement of any nuisance or unreasonable source of annoyance.

(t) No signs may be displayed on Lots except as provided for in the rules promulgated by the Board.

3 Prohibited Uses In addition to uses which are inconsistent with applicable zoning or are prohibited or restricted by other recorded covenants, conditions, restrictions or easements, the following uses are prohibited within the Property:

(a) trailer courts, mobile home parks, and recreation vehicle campgrounds,

(b) oil, gas or mineral exploration; drilling, boring, excavation, development, refining, quarrying, or mining operations, and all construction and equipment incident thereto; and oil or gas wells or related equipment or facilities,

(c) commercial excavation of building or construction materials, except in the usual course of construction of improvements,

(d) dumping, storage, disposal, incineration, treatment, processing or reduction of garbage, or refuse of any nature, except as is incidental to the use, operation and ownership of any property (or a portion thereof) in accordance with this Declaration and in a manner which is not unsightly and does not result in noxious odors emitting from the subject property.

4 Prohibited Conditions. The following shall be prohibited at the Property.

(a) Plants, animals, devices or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property,

(b) Structures, equipment or other items on the exterior portions of a Dwelling Unit which have become rusty, dilapidated or otherwise fallen into disrepair;

(c) Sprinkler or irrigation systems or wells of any type which draw upon water from lakes, creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within the Property, except that the Association shall have the right to draw water from such sources and the ACC pursuant to Article 13 may, in its discretion, approve a private water well on certain Lots which the ACC determines to be of sufficient size to accommodate a well without adversely impacting neighboring property,

(d) Satellite dishes, antennae and similar devices for the transmission of television, radio, satellite, or other signals of any kind except with ACC approval Notwithstanding the foregoing, (i) antennae or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter; (ii) antennae or satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter or diagonal measurement; or (iii) antennae or satellite dishes designed to receive television broadcast signals which are less than one meter in diameter ("Permitted Devices") shall be permitted, *provided that* any such Permitted Device is placed in the least conspicuous location on the Lot in which an acceptable quality signal can be received and is screened from the view of adjacent Lots, streets and Common Elements in a manner consistent with the Community-Wide Standard and the Design Guidelines

5 Leasing of Lots Nothing contained herein shall prohibit the leasing or subleasing of a Lot, provided, however, that effective as to all leases entered into or renewed after the date of this Declaration

(a) No structure on any Lot other than the Dwelling Unit may be leased or otherwise occupied

(b) No Lot shall be leased for a period of less than one hundred eighty (180) consecutive calendar days without the prior written consent of the Board

(c) All leases for any Lot shall be in writing signed by the Owner and the tenant.

(d) All leases shall be in such form, and contain such provisions, as approved by the Board, including provisions (a) requiring the tenant to comply with the Association Documents, (b) providing that the failure of any tenant under a lease to comply with the Association Documents shall constitute an event of default under the lease, and (c) upon the occurrence of three (3) or more violations of the Association documents by a tenant within any four (4) month period, which goes uncorrected by the Owner, the Board may exercise any and all remedies for a default under the Association Documents against the Owner and the tenant under the lease including, without limitation, the right to remove a tenant from possession of a Lot by judicial process or otherwise

(e) A true executed copy of any lease for a Lot shall be provided to the Association prior to the occupancy by the tenant of such Lot, provided, however, the amount of rent may be redacted from the lease

The Board may also adopt reasonable rules and regulations regarding leasing which may include, but are not limited to, the imposition of a fee to the Owner leasing the Lot equal to the costs of administration and ensuring compliance incurred by the Association with the restrictions and rules and regulations relating to leasing

"Leasing", for purposes of this Declaration, is defined as regular, exclusive occupancy of a Dwelling Unit by any person other than the Owner, or the Immediate Family of the Owner, for which the Owner receives, or the tenant provides, any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. As used in these Use Restrictions, "Immediate Family" shall mean the parents, grandparents, siblings and children of such Owner



TAMMY THEUSCH BEASLEY
REGISTER OF DEEDS, NEW HANOVER
216 NORTH SECOND STREET

WILMINGTON, NC 28401

Filed For Registration: 03/17/2014 09.45:32 AM
Book: RE 5802 Page: 2560-2603
Document No.: 2014006184
44 PGS \$138.00
Recorder: JOHNSON, CAROLYN

State of North Carolina, County of New Hanover

PLEASE RETAIN YELLOW TRAILER PAGE WITH ORIGINAL DOCUMENT.

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