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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SQUIRES RUN VILLAGE

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

Prepared by:

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the **"Declaration"**) is made this 4 day of April, 2024, by **SOUTH STATE DEVELOPMENT LLC,** a North Carolina limited liability company, hereinafter called "Declarant";

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property described in Article II of this Declaration and desires to create thereon a residential community with lots, roads and streets;

WHEREAS, Declarant, prior to selling and conveying the lots, desires to impose upon said lots certain mutual restrictions, covenants, conditions and charges for the benefit of all lots in the subdivision to provide for the preservation of the values in the said community; and to comply with certain rules and regulations as may exist or be established by the North Carolina Division of Energy, Mineral and Land Resources and to this end desires to subject the real property described in Article II to the covenants, restrictions, conditions and easements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

WHEREAS, Declarant desires to provide and allow for the annexation of additional "sections" to the Property as said "sections" are developed and completed, and to provide for equality of rights, privileges and obligations of all lot owners in all "sections" of the Property by adding and annexing such "sections" to the Property by recordation of "Amendments or Supplemental Declarations" to this Declaration.

NOW, THEREFORE, the Declarant declares that the real property described in Article II, shall be held, transferred, sold, conveyed, leased, rented, encumbered, used and occupied subject to the covenants, conditions, restrictions, and easements (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

Submitted electronically by "Gaylor Edwards Vatcher LawFirm"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Onslow County Register of Deeds.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

Section 1. Subdivision shall mean and refer to all lands described herein, as are subject to this Declaration or any Supplemental Declaration, under the provisions of Article II hereof.

Section 2. Lot shall mean and refer to any separately described parcel of land shown upon any recorded map of the Subdivision approved by Declarant, or recombination of Lots permitted under this Declaration or any Supplemental Declaration, other than Common Area, Open Space, streets or roadways.

Section 3. Owner shall mean and refer to the legal or equitable owner, whether one or more persons or entities, owning any Lot, whether such ownership be in fee simple title or as land contract vendee and shall not mean or refer to a mortgagee.

Section 4. Association shall mean and refer to Squires Run Village HOA, Inc.", its successors or assigns.

Section 5. Board shall mean and refer to the Board of Directors of the Association.

Section 6. Architectural Control Committee shall initially mean and refer to the Declarant, or such other entity or individual as Declarant may appoint; at such time as all Lots in the Subdivision have been fully developed and permanent improvements constructed thereon and sold to permanent residents, or such earlier time as Declarant may desire, the Declarant shall transfer the powers to three (3) Lot Owners which shall thereafter be the Architectural Control Committee.

Section 7. Permit shall mean the State of North Carolina Stormwater Management Permit number SW8 210408 as issued and modified by the Division of Energy, Mineral and Land Resources under NCAC 2H.1000, and any subsequent modification thereto or other stormwater management permit hereafter issued for any property annexed to the Subdivision by the Declarant.

Section 8. Common Expenses shall mean and refer to :

a. the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Articles of Incorporation of the Association and its By-Laws;

b. all amounts expended by the Association in accordance with Article XI in holding and being responsible for compliance with the obligations of the North Carolina Sedimentation and Erosion Control Permit and Stormwater Management Permit number SW8 210408 and overseeing, supervising, administering, managing, repairing, replacing and ensuring all Stormwater Management Facilities located within the Property as required by this Declaration and all amounts expended in enforcing the provisions of the Permit;

c. all amounts expended by the Association for the maintenance, repair and replacement of any Common Area and Open Space, including any improvements situated therein, as shown on the recorded map of the Subdivision, and any sign or other improvements, including the landscaping thereof, within any Sign Easement area shown on the recorded map of the Subdivision.

Section 9. Structure shall mean and refer to:

(i) anything or object the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part thereof, garage, porch, gazebo, shed, driveway, sidewalk, greenhouse or bathhouse, covered or uncovered patio, swimming pool, tennis court, fence, curbing, paving, wall, tree, shrub, sign, signboard, mailbox, driveway, temporary or permanent living quarters or any other temporary or permanent improvement on such Lot;

(ii) any excavation, grading, fill ditch, diversion dam or other thing, object or device which affects or alters the natural flow of surface waters from, upon or across any Lot, or which affects or alters the flow of any waters in any natural or artificial river, creek, stream, canal, wash or drainage channel from, upon or across any Lot; and

(iii) any change in grade at any point on a Lot of more than six (6) inches.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Being situated in the Town of Richlands, Onslow County, North Carolina and more particularly shown as all that certain real property described on a plat entitled "Final Plat, SQUIRES RUN VILLAGE, SECTION I-A" dated 10/26/23 prepared by Tidewater Associates, Inc.. and recorded in Map Book 86, Page 68, in the Office of the Register of Deeds of Onslow County, North Carolina.

ARTICLE III

AESTHETIC QUALITY OF IMPROVEMENTS

The real property described in Article II hereof is subject to the protective covenants and restrictions hereby declared to ensure the best use and most appropriate development and improvement of each lot thereof; to protect owners of lots against such improper use of surrounding lots, including the diversion of water from one lot to another lot other than through natural drainage channels, as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereon of poorly designed or proportioned structures, and structures built of improper or unsuitable materials; to obtain harmonious color schemes; to ensure the highest and best development of said property; to encourage and secure the erection of attractive dwellings thereon, with appropriate locations thereof on lots; to prevent haphazard and inharmonious improvement of lots; to secure and maintain adequate setbacks from streets and sufficient free spaces between structures, and in general to provide adequately for an above average type and quality of improvement of said property, thereby enhancing the values of investments made by owners of the lots therein.

ARTICLE IV

RESIDENTIAL SINGLE FAMILY USE RESTRICTION AND OUT BUILDINGS

All Lots as described on the Subdivision plat set forth in Article II hereof shall be limited to single family residential use only. No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling, together with private garages or outbuildings incidental thereto. All private garages and outbuildings must be approved by the Architectural Control Committee and follow the architectural style of the dwelling. All private garages and outbuildings must have the same roofing shingles and the same siding color as the main dwelling. Accessory buildings and outbuildings shall be built only on permanent foundations. No temporary buildings of any kind are allowed. If outbuildings are built with a crawl space, that space shall be concealed with screening approved by the Architectural Control Committee attached to the building. Outbuildings shall comply with all governmental agency specifications.

ARTICLE V

MINIMUM HEATED SQUARE FEET OF LIVING AREA

The entire heated square feet of living area of each dwelling shall be not less than 1,200 square feet with a first floor minimum of 800 square feet.

ARTICLE VI

ARCHITECTURAL CONTROL COMMITTEE PURPOSE, POWERS AND GENERAL REQUIREMENTS

The purpose of the Architectural Control Committee is to assure that the installation, construction, or alternation of any Structure on any lot is under the standards set forth in this Declaration as interpreted and determined by the Architectural Control Committee. To the extent necessary to carry out such purpose, including without being limited to, the power and duty to approve or disapprove plans and specifications for any installation, construction or alternation of any structure on any lot.

Except for original and initial construction and subsequent modification of improvements by the Declarant on any Lot which such construction is and shall be exempt from the provisions of this provision, no building, wall, fence, landscaping, berm or hedge which act as a fence or privacy inducing structure, pier, dock, ornamentation, or other structure or improvements of any nature shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping as may be required by the ARC have been approved in writing by the ARC. Each building, wall, fence or other structure or improvements of any nature, together with any ornamentation or landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said ARC deem sufficient. All outbuildings must match the construction materials and colors of the residence. Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval. The ARC shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. Any requests that will modify Built Upon Area (BUA), must be accompanied by an as-built of current BUA dated not more than one (1) year old, and a legible sketch of improvements with dimensions for scale. No BUA modification will be granted/approved during Declarant control period. Prior to beginning any approved construction or changes, the Lot Owner must provide the ARC photos of the road. Lot Owners will be responsible for repairs for any road damage created during construction.

Within forty-five (45) calendar days after receipt of all required information, the ARC shall submit in writing to the Owner of the Lot a response stating whether or not the requested improvements are approved. Unless a response is given by the ARC within forty-five (45) calendar days, the plan shall be deemed approved. The response of the ARC may be an approval, a denial, an approval with conditions or a request for additional information. A request for additional information shall be deemed a determination that the information submitted was inadequate and the forty-five (45) daytime period for response shall only commence upon the receipt of the requested additional information. Conditional approvals may be granted and if approval with conditions is granted and thereafter construction begins, the conditions shall be deemed accepted by the Owner of the Lot of the conditions imposed.

New Construction shall not commence on any lot until the Architectural Control Committee has reviewed and approved site/plot plan and landscaping plan. Plans must include, but are not limited to, proposed colors, proposed materials, and any trees which are to be removed. The ARC reserves the right to request additional information. The ARC shall have the sole discretion to determine whether the plans and specifications submitted for approval are acceptable in compliance with the total scheme of the Subdivision. All residential structures are required to be a minimum of 1,200 heated square feet and must be site/stick-built construction. No manufactured or modular homes. Acceptable construction materials include brick, stone, fiber cement, vinyl siding, and stucco cladding for the dwelling exterior. Roof covering shall be architectural shingles, clay tile or metal roofing. All exterior treated wood must be painted or stained with the color approved by the Architectural Control Committee. All foundation types allowed under the North Carolina Building Code are permitted, provided, however, all concrete or block foundations shall require stone or brick cladding or dyed parging colors and must be approved by the ARC. Prior to occupancy, the Owner must submit to the ARC an "as-built" survey that delineates all improvements and total impervious square footage used on the Lot. Said impervious area must not exceed the amount permitted under the Stormwater Permit.

ARC Fees - Lot Owner(s) will be charged a review fee for each Architectural Control Committee request in the amount of $250 for the initial construction of a residence and $100 for any subsequent modifications to the property. The fee must be paid in full at the time of the initial application submission. Declarant may waive the payment of ARC fees for any purchaser who acquires 3 or more lots at the same closing. Submissions for approval may be made to the ARC c/o the Association to any of the following:

1. The address to which an Owner is directed to send assessments or dues as appears on the most recent billing statement
2. The address of the Association Management Company
3. At such address as may be provided in writing (on the letterhead of the Association and signed by the managing agent or officer of the Association) to the applicant upon request for instructions regarding submission.

ARTICLE VII

MINIMUM SETBACK REQUIREMENTS

No building, structure, fence, hedge, outbuilding, or appurtenance of any nature shall be located closer to any property line or street right of way than the minimum building lines shown on the recorded map.

ARTICLE VIII

SUBDIVIDING LOTS

Except as hereinafter provided, no Lot as shown by the recorded map of the Subdivision shall be re-subdivided, unless part of the subdivided Lot becomes a part of an adjacent Lot, and the remainder of the subdivided Lot is combined with or utilized by the Owner of the other Lot to which it is adjacent. Provided, however, Declarant reserves the right to subdivide any Lot owned by Declarant.

ARTICLE IX

STORMWATER MANAGEMENT

A. The following covenants in this ARTICLE are intended to ensure ongoing compliance with the State Stormwater Management Permit Number SW8 210408 as issued by the Division of Energy, Mineral and Land Resources under NCAC 2H.1000.

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

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

D. The covenants pertaining to stormwater listed in this Article may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Energy, Mineral and Land Resources.

E. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Energy, Mineral and Land Resources.

F. The maximum built-upon area ("BUA") per lot is 3,300 square feet ("BUA"). 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 not shown on the approved plans. BUA has the same meaning as set forth in NCGS Section 143-214.7, as amended.

G. Filling in, piping or altering any vegetative conveyances (ditches, swales, etc.) associated with the development, except for average driveway crossings, is strictly prohibited by any persons. Swales shall not be filled in, piped, or altered except as necessary to provide driveway crossings.

H. In the case of a Lot within CAMA's Area of Environmental Concern, if the built-upon area ("BUA"), as calculated by CAMA, is less than the amount shown in these restrictions, the most restrictive BUA will be the maximum permitted for that Lot.

I. A 50-foot-wide vegetated buffer must be provided and maintained adjacent to all surface waters in accordance with 15A NCAC 02H.1003(4) and the approved plans.

J. All roof drains shall terminate at least 50 feet from the mean high water mark of the surface waters.

K. Built-upon area in excess of the permitted amount is not permitted without a state stormwater management permit modification issued by the Division of Energy, Mineral and Land resources prior to construction to ensure compliance with the stormwater rules, permit and approved plans and specifications. Violation of this restriction subjects the Owner to the obligation to remove any excessive built-upon area within thirty (30) days of written notice from the Declarant or Association.

L. Any individual or entity found to be in noncompliance with the provisions of a stormwater management permit or the requirements of the stormwater rules is subject to enforcement procedures as set forth in NCGS 143, Article 21.

M. If permeable pavement BUA credit is requested, the property owner must submit a request, with supporting documentation, to the permittee and receive approval prior to construction.

ARTICLE X

RESERVATION OF EASEMENTS AND RIGHTS BY DECLARANT

Declarant hereby reserves for itself, its successors and assigns, for any purposes it deems useful to its development of the Subdivision, the development of other property now owned, or which may be owned in the future by Declarant, or the development of other property to which Declarant may grant the benefit of such easements, those easements shown on any recorded map of the Subdivision or subsequently annexed property, and the following additional easements and rights:

a. A perpetual easement for ingress, egress, regress, access, the installation and maintenance of utilities, further subdivision, and the right to dedicate to public use, over, under and upon all streets and drainage and utility easements shown on any recorded map of the Subdivision or lying within the Subdivision and the water and sewer easements lying within the Subdivision;

b. The right to grant easements for ingress, egress, regress, access, the installation, use and maintenance of utilities and further subdivision, over, under and upon (i) all streets shown on any recorded map of the Subdivision and (ii) the drainage and utility easements and easements for the water and sewer systems located within the Subdivision, to any property outside the Subdivision to which Declarant deems the grant of such easements desirable, whether or not the property to which the easements are granted is owned by Declarant;

c. A perpetual easement over, under and upon all streets and drainage and utility easements shown on any recorded map of the Subdivision for the purpose of establishing, constructing and maintaining any underground utility, conduits and wires for telephone, electric power and other purposes and of laying, installing and maintaining facilities for sewage, potable and non-potable water, gas, storm drainage and other utilities therein. This reservation shall not be construed as an obligation of Declarant to provide or maintain any such activity or services;

d. A perpetual access easement over, under and upon the Lots to trim, cut and remove any trees and brush necessary for the installation, operation and maintenance of utility lines, gas, water and sewer mains and other services for the convenience of the property owners and appurtenances thereto;

e. A perpetual and exclusive easement for the installation and maintenance of radio and television transmission cables within the rights-of-way and easement areas reserved and defined above.

f. The Declarant reserves for itself, its successors or assigns, an easement and right at any time in the future to grant to public utility companies easements, deemed necessary or desirable by the Declarant, its successors or assigns, in its sole discretion, for utilities along the front, side, and rear lines of all lots in the Subdivision for the construction and perpetual maintenance of conduits, pipes, poles, wires, and fixtures for electric lights, telephones, drainage, gas, water, sewer and other public and quasi-public utilities and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such services, with right of ingress to and egress from and across said premises to employees of said utilities.

g. The Declarant reserves for itself, its successors or assigns, the right to subject the real property described herein to a contract with the associated utility company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to associated Electric company or such other utility company by the owner of each Lot.

h. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the rear ten (10) feet and side eight (8) feet of each lot. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement areas of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible. A perpetual easement for the installation and maintenance of a fence.

i. A perpetual easement for the installation and maintenance of a fence over and upon the Fence Easement area as shown on the recorded plat of the Subdivision.

ARTICLE XI

OWNER'S MAINTENANCE OBLIGATIONS AND RIGHT OF DECLARANT AND ASSOCIATION TO PERFORM CERTAIN MAINTENANCE.

Section 1. Owner's Maintenance Obligations. On each Lot, the rights-of-way and easement areas reserved by Declarant or dedicated to public utilities purposes and stormwater control and sedimentation and erosion control devices, including but not limited to ditches, swales and buffers, shall be maintained continuously by the Lot owner. No structure, planting or other material shall be placed or permitted to remain, or other activities undertaken which may damage or interfere with the installation or maintenance of utilities, or which may change the direction of the flow of water through drainage channels in the easements, or which damage or interfere with established slope ratios or which create erosion problems. It is provided, however, that where the existing location of an easement, ditch or drainage channel reserved in this Declaration or shown on any recorded map of the Subdivision would hinder the orderly development of the Lot on which the easement is located, the easement, ditch or drainage channel may be relocated by Declarant. Improvements within such areas also shall be maintained by the Lot owner, except for those for which a public authority or utility is responsible.

Section 2. Declarant's/Association's Rights to Maintain. In the event the owner of any Lot shall fail to maintain the Lot and/or improvements situated thereon in a manner in keeping with this Declaration, in addition to any other rights set forth herein or provided by law, the Declarant and the Association shall have the right, but not the obligation, through their agents and employees, to enter upon said Lot and clear, clean, repair, maintain and restore the Lot, the exterior of any building and any other improvements erected thereon. There is included in the authority herein granted the power to clear Lots of undergrowth, rubbish, debris, weeds or grass. In the event the owner of any Lot shall damage or through negligent failure to act allow damage to occur to any Stormwater Management Facilities located on said owner's Lot or fail to comply with all applicable North Carolina Sedimentation and Erosion Control Permits, in addition to any other rights set forth herein or provided by law, the Declarant, and the Association shall have the right, but not the obligation, through their agents and employees, to enter upon said Lot and clear, clean, repair, maintain and restore the Stormwater Management Facilities and to bring the Lot into compliance with the applicable North Carolina Sedimentation and Erosion Control Permits. There is included in the authority herein granted the power to clear Lots of undergrowth, rubbish, debris, weeds or grass. The costs of the maintenance or repair authorized by this Article shall be considered the legal obligation of the Lot owner. The Declarant, or the Association, as applicable, may maintain an action in court having jurisdiction for such costs, together with all collection costs, including reasonable attorney's fees, and expenses incurred in pursuing such action. The costs shall not constitute a lien on said Lot unless and until the final judgment of such court shall be entered in the office of the Clerk of Court of Onslow County. Any such lien obtained shall be subordinate to any first deed of trust.

ARTICLE XII

SQUIRES RUN VILLAGE HOA, INC.

a. The Squires Run Village, HOA, Inc. (the "Association") has been, or will be, formed at the direction of the Declarant pursuant to the rules and requirements of the Nonprofit Association Act (Chapter 55A) of the General Statutes of North Carolina as an association of the owners of the Lots. Its purposes are to oversee, inspect, maintain, repair and replace the Stormwater Management Facilities constructed pursuant to the Permit; to enforce the provisions of the Permit; to enforce each Lot owner's obligations with respect to the Stormwater Management Facilities pursuant to this Declaration; to upfit, maintain, repair and replace the white vinyl fence erected along the entryway to the Subdivision; to maintain and repair all private streets in the Subdivision; to enforce each Lot owner's obligations with respect to all applicable North Carolina Sedimentation and Erosion Control Permits; said authority to be exercised, if and only if, and when and only when, Declarant transfers the Permit to the Association. The Association shall have no authority with respect to the Lots located in the Subdivision until such time as Declarant transfers such rights to the Association.

b. The Declarant shall have the right, but not the obligation, to annex into the Subdivision additional property now, or in the future, owned by Declarant. From and after the date of such annexation, the annexed Lots shall be subject to the jurisdiction of the Association and the owners of the annexed Lots shall be members of the Association.

c. Each owner of each Lot within the Subdivision shall be a member of the Association. The Declarant, by this Declaration, and the owners of each individual Lot, by their acceptance of a deed thereto, covenant and agree with respect to the Association:

(i) that for so long as each is an owner of a Lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Association; and

(ii) that any unpaid assessment, whether general or special, levied by the Association in accordance with this Declaration, the Articles of Incorporation (herein called the "Articles") or the Bylaws of the Association (herein called the "Bylaws") shall be a lien upon the Lot upon which such assessment was levied and also shall be the personal obligation of the person who was the owner of the Lot at the time the assessment fell due.

d. Each membership in the Association shall relate to and have a unity of interest with an individual Lot which may not be separated from the ownership of said Lot. The books and all supporting documentation, the Declaration, the Articles, the Bylaws, and all amendments thereto shall be available for examination by all Lot owners, and their lenders or their lenders' agents during normal business hours at the principal office of the Association.

e. The Association shall have two classes of voting membership:

Class A: Initially, the Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such Persons shall be members. Provided, however, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. If multiple owners of a Lot cannot provide written verification of the authority of a designated individual to cast their vote, then no vote may be cast by that particular Lot Owner.

Class B: The Class B member shall be the Declarant and shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events:

(i) at such time as all of the Lots have been sold and are occupied by permanent residents thereof; or
(ii) ten (10) years from the date of recordation of this Declaration; or
(iii) when, in its discretion, the Declarant so determines.

f. The Declarant shall, at its sole cost and expense, initially construct all Stormwater Management Facilities required to be located upon the Lots and Subdivision or upon any property annexed into the Subdivision by the Declarant to the standards required by the applicable Permit. Upon completion of the construction of said Stormwater Management Facilities located in Subdivision, the Declarant shall transfer the applicable Permit to the Association and the Association shall accept the transfer of the applicable Permit from the Declarant upon the earlier to occur of (i) the date the North Carolina Department of Environment and Natural Resources allows such transfer to occur; or, (ii) the date upon which at least fifty percent (50%) of the Lots in the entire Subdivision are conveyed to owners other than Declarant. Prior to any such transfer, the Stormwater Management Facilities for the Subdivision, including any property annexed by Declarant into the Subdivision, shall be certified, either by state inspection or by a licensed engineer, as being in compliance with the applicable Permit prior to such assignment or transfer. The Association shall indemnify and hold Declarant harmless from any loss, cost, claim, fee, fine, suit, damage or expense, including reasonable attorneys' fees, incurred by Declarant in the defense of any action against Declarant as the holder of the Permit occurring after Declarant tenders transfer of the Permit to the Association following the approval of such transfer by the North Carolina Department of Environment and Natural Resources and the certification of compliance as set forth above. Further, Declarant may bring an action for specific performance of the obligations of the Association pursuant to this paragraph. From and after the transfer of the Permit from the Declarant following the approval of the North Carolina Department of Environment and Natural Resources, the oversight, supervision, management and administration of the Permit shall be the sole responsibility of the Association. The Association's duties with regard to the Permit shall be carried out in accordance with the terms and conditions of this Declaration, the Articles, the Bylaws and the Permit. The Association hereby is granted and conveyed an easement over, under and upon each Lot and future lots in the Subdivision for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each Lot and any future subdivided lot. In the event, the Declarant annexes additional property into the Subdivision and transfers the applicable Permit to the Association, the Association shall have, and hereby is granted and conveyed, an easement over, under and upon each annexed Lot for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each annexed lot.

g. The expenses of the Association shall include:

(i) All amounts expended by the Association in holding and being responsible for the obligations of the Permit and overseeing, supervising, administering, managing, repairing, replacing and insuring all Stormwater Management Facilities located within the Subdivision as required by this Declaration; all amounts expended by the Association in enforcing the provisions of this Declaration, as may be amended; all amounts expended by the Association in the performance of its duties hereunder from and after the time Declarant transfers the Permit; and all amounts expended by the Association in legal, engineering or architectural fees and all similar fees which the Association may incur from time to time in performing the functions delegated to the Association by this Declaration.

(ii) All amounts expended by the Association in carrying out any duty or obligation as may be required or allowed by this Declaration, the Articles or the Bylaws.

(iii) All amounts expended by the Association in operating, administering, managing, repairing, replacing, improving, paying all taxes imposed on and ensuring the improvements, situated in any Common Area, Open Space or Sign Easement area.

h. Collection of Assessments will be as follows:

(i) At closing, the Declarant shall cause to be collected from the purchaser an amount equal to $500 for use as a working capital fund. The Board of Directors shall fix the amount of the assessment against each lot at least thirty days in advance of the annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors of the Association and the Board of Directors shall have the authority to require the assessment to be paid in pro-rata monthly installments, quarterly and semi-annually as well as annually. The Association shall, upon demand, and for a reasonable charge furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified lot have been paid. From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum assessment may be increased each year not more than twenty (20%) percent above the maximum assessment for the previous year without a vote of the membership. The maximum may also be increased by a majority vote of the members obligated to pay such assessment or with the written approval of members entitled to cast a majority of the total number of authorized votes of members obligated to, pay such assessment (in both cases excluding the Declarant so long as there exists Class II membership). The Association, in its sole discretion, may waive any dues, fees, or contributions, for any lots which are purchased by a builder.

(ii) Until January 1, 2025, the annual general assessment, if any, shall not exceed the sum of four hundred dollars ($400.00) per Lot. The Declarant, in its sole discretion, shall determine when and whether to assess owners for the annual general assessment during the year 2024 and thereafter, until control of the Association is transferred to the Lot owners.

(iii) From and after January 1, 2025, the annual general assessment may be increased upon the vote of a majority of the Board of Directors of the Association by no more than twenty percent (20.0%) of the annual general assessment for the preceding year.

(iv)Any increase of the annual general assessment exceeding twenty percent (20.0%) of the annual general assessment for the preceding year must be approved by the owners of at least two-thirds (2/3) of the Lots who are voting in person or by proxy at a meeting called for this purpose.

(iv) Once the annual general assessment has been set, notice of the annual general assessment shall be given to all Lot owners. It is provided, however, that no owner is relieved from the obligation to pay the assessment because of failure to give such notice. After the initial notice of the assessment, no bills for such assessment will be forwarded to any owner but such assessment thereafter shall become due and payable as provided by the Board of Directors.

(v) As provided in the Bylaws, and subject to the restrictions and limitations provided herein, the Board of Directors shall establish an Annual Budget in advance for each fiscal year. Such budget shall project all expenses for the forthcoming fiscal year that may be required for the proper operation, management and maintenance of the Stormwater Management Facilities, the North Carolina Sedimentation and Erosion Control Permits, any entrance sign situated in any Sign Easement area and the Association, including a reasonable allowance for contingencies and reserves. The budget shall take into account any projected or anticipated income. Upon adoption of such Annual Budget by the Board of Directors, copies of the Budget shall be delivered to each owner together with a statement of the

assessment for each Lot as provided herein, based upon such budget; however, the non-delivery of a copy of said Budget shall not affect the liability of any owner for such assessment. The Annual Budget shall be divided by the number of Lots subject to the annual general assessments at the time of the annual meeting of the members and the quotient shall be the annual general assessment per Lot for the succeeding fiscal year.

(vi) All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the Association to the payment of any expense of operating and managing the Association or the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles and the Bylaws. As monies for any assessment are paid into the Association by any owner, the same may be commingled with monies paid to the Association by the other owners. Although all funds and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer said owner's membership interest therein, except as an appurtenance of said owner's Lot. When the owner of a Lot shall cease to be a member of the Association by reason of said owner's divestment of ownership of such Lot, by whatever means, the Association shall not be required to account to such owner for any share of the fund or assets of the Association, including any monies which said owner may have paid to the Association, as all monies which any owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Association.

(vii) Written notice of any meeting called for the purpose of taking any action requiring a meeting shall be sent to all members not less than thirty (30) days, or more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast thirty percent (30%) of the votes of all members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

i, Annual general assessments and special assessments shall, except as otherwise provided herein, be fixed at a uniform rate for all Lots. The annual general assessments provided for herein shall commence as to each Lot, other than any Lot owned by the Declarant upon which no residential dwelling has been constructed and is inhabited by an Owner, on the date of recordation of the deed for such Lot in the office of the Register of Deeds of Onslow County and shall be prorated on a calendar year basis through the date of such recordation. The annual general assessments shall be assessed for each calendar year thereafter and shall be payable annually, with the due date for such payments being as established by the Board of Directors.

k. The annual general assessment levied by the Association shall be used exclusively to oversee, inspect, maintain and repair the Common Area, Open Spaces, Stormwater Management Facilities and Sign Easement areas, if any; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permit; to pay the expenses of the Association from and after the time, if ever, Declarant transfers the Permit to the Association. The Association's sole function is to oversee, inspect, maintain and repair the Common Area, Open Spaces, Stormwater Management Facilities, maintain compliance with the Sedimentation and Erosion Control Permit. and Sign Easement areas, if any; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the

applicable North Carolina Sedimentation and Erosion Control Permits. The powers of the Association may not be expanded beyond those purposes. Nothing herein relieves the owner of a Lot from said owner's obligation to maintain the areas upon said owner's Lot upon which the Stormwater Management Facilities are located as provided herein and not to damage or allow damage to occur to said Stormwater Management Facilities and to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits.

l. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

m. General special assessments and specific special assessments may be levied against Lots for such reasons as are provided in this Declaration, the Articles or the Bylaws, and on such terms as provided by the directors and the members. Upon a two-thirds (2/3) vote of the Directors and a two-thirds (2/3) vote of the owners of Lots who are voting in person or by proxy at a meeting duly called for this purpose, the Association may levy and impose special assessments. The purposes for which special assessments may be levied are limited to providing funds to pay for the oversight, inspection, maintenance and repair of the Stormwater Management Facilities and Sign Easement, if any, to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit and all applicable North Carolina Sedimentation and Erosion Control Permits which exceed the general assessment funds then on hand to pay same and to provide a contingency fund for capital improvements and extraordinary expenses. General special assessments shall be levied at a uniform rate for all Lots. Specific special assessments may be assessed against the owner of a Lot after written notice has been given by the Association to the owner of said Lot at the address of the owner appearing upon the records of the Association by United States mail, postage prepaid, that the Stormwater Management Facilities located on said Lot have been damaged by the act or negligent failure to act of said owner or that said owner has failed to comply with all applicable North Carolina Sedimentation and Erosion Control Permits and that, as a result, such Stormwater Management Facilities are in need of repair or replacement in order to comply with the Permit or actions must be taken in order to comply with the applicable North Carolina Sedimentation and Erosion Control Permits and the owner of said Lot has not taken the necessary action to bring the Stormwater Management Facilities located on said owner's Lot into compliance with the Permit or to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits within thirty (30) days after the mailing of said notice. If said owner commences the necessary action to repair or replace the Stormwater Management Facilities located on said owner's Lot and to bring the Stormwater Management Facilities into compliance with the Permit or to bring the Lot into compliance with the applicable North Carolina Sedimentation and Erosion Control Permits within the thirty (30) day period set forth above, the imposition of a specific special assessment shall be deferred by the Association for the period during which said owner diligently pursues to completion the repair or replacement of the Stormwater Management Facilities located on said Lot or compliance with the applicable North Carolina Sedimentation and Erosion Control Permits. Specific special assessments shall be limited to the amount of funds actually expended, or in the discretion of the Board of Directors, the amount of funds reasonably estimated by the Board of Directors will be expended, by the Association to repair or replace the Stormwater Management Facilities located upon the Lot or to comply with the applicable North Carolina Sedimentation and Erosion Control Permit applicable to the Lot upon which the specific special assessment is assessed. Special assessments, either general or specific, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions set forth in this Declaration, shall be a continuing lien upon the Lot against which

each such assessment is made. The personal obligation of an owner of a Lot for delinquent special assessments, whether general or specific, shall not pass to a successor in title to a Lot unless expressly assumed by the successor, but, subject to the provisions of this Declaration, delinquent special assessments shall continue to be a lien upon such Lot.

n. Any annual general assessment, general special assessment or specific special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest at the rate of ten percent (10%) per annum, costs of collection, court costs, and reasonable attorneys' fees shall constitute a lien against the Lot upon which such assessment is levied. The Association may record notice of the same in the Office of the Clerk of Superior Court of Onslow County or file a suit to collect such delinquent assessments and charges. The Association may file Notice of Lis Pendens, bring an action at law against the owner personally obligated to pay the same and/or bring an action to foreclose the lien against the Property. The lien of any assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu therefor, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No owner may waive or otherwise escape liability for the assessments provided for herein.

o. In the event the Articles of Incorporation and/or Bylaws of the Association are amended to expand the rights and duties of the Association, those amendments shall have no effect on the Lots or the Subdivision unless, by recorded amendment to this Declaration, joined in by Declarant.

ARTICLE XIII

FENCES

The Architectural Control Committee, prior to construction, must approve all fences, including fences for backyards, swimming pools, dog pens, gardens or for any other purpose. The term fence shall include but not be limited to, a wall, fence, landscaping, berm, or hedge which acts as a fence or privacy or security-inducing structure. Architectural review requirements must be met before the construction of any fence. Chain link fences are not permitted. All fences must be white vinyl, wood, or decorative metal. No chain link fence shall be permitted. No fence shall be over six (6) feet in height. Fences shall be constructed between a line extending from the middle of the primary dwelling to each side lot line and the rear property line. All fences shall be constructed on the common property line with the adjacent Lot, unless the common property line is within a drainage easement or wetlands. Every Lot owner shall have the right to tie in with an existing fence wall running down the common property line of his/her Lot, such that the fence along the common property line becomes a shared fence wall. Owner is deemed to agree that minor deviations (less than one foot) in the actual layout of the fence along the common property line shall be waived upon completion of construction. The cost of reasonable repair and maintenance of the shared fence wall shall be shared by the owners who make use of the fence. Every owner shall have an easement and right of entry upon the Lot of any other Owner to the extent reasonably necessary to perform repair, maintenance or reconstruction of a shared fence wall and those improvements belonging to his lot which encroach on an adjoining Lot or common area.

ARTICLE XIV

MISCELLANEOUS RESTRICTIONS

A. Nuisances: No noxious, offensive, or illegal activity shall be carried on or conducted upon any Lot nor shall anything be done on any Lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood. All Lots, whether occupied or unoccupied, shall be well maintained with no unattractive growth or accumulation of rubbish or debris. No automobile, other vehicle(s), motorcycle(s) or other similar items shall be repaired or placed "on blocks" or stands except in an enclosed garage. Declarant, or Association, its successors or assigns, reserves the right to enter upon and cut grass, weeds, or undergrowth on any lot or easement, but shall be under no obligation to do so. The Declarant or Association may contract for, and assess to owner, any maintenance necessary to enforce his covenant. All construction on Lots must occur between dawn and dusk.

B. Animals: No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that household pets may be kept and are not kept for breeding or commercial purposes. Any such household pet shall not be allowed off the Lot of the Owner of said pet unless said pet is attended and on a leash. Owners shall be solely and absolutely liable for the acts of any pet kept on their Lot. In addition, the Association shall specifically have the power and responsibility to designate, based upon temperament, size and/or nature or tendencies, from time to time a list of breeds of animals which shall be prohibited on any lot.

C. Garbage and Refuse Disposal: No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be burned on any Lot and shall be kept except in sanitary containers approved by the Architectural Committee. All equipment for the storage prior to disposal of such material shall be kept in a clean and sanitary condition. The placement of containers shall be approved by the Architectural Committee and, in any event, shall be kept in a screened area not subject to view from any person, from any direction. The Declarant and Association reserves the right for itself, its successors and assigns, to contract for garbage collection services for each lot in the subdivision and the lot owner shall be responsible for the payment of such garbage services to the company providing the same, or the Association may make such a common expense or expense to a particular owner. It is strictly prohibited that the homeowner contract with a different company.

D. Gas: All lots utilizing and/or requiring gas supply must use a tankless hot water heater. Declarant shall be entitled to any and all refunds for any deposit paid for each Lot upon connection and will collect at closing.

E. Exterior Lights: All light bulbs or other lights installed in any fixture located on the exterior of any dwelling, building or other structure located on any Lot shall be clear or white lights or bulbs. No mercury vapor or similar wide area lighting similar to streetlights shall be allowed without prior Architectural Committee approval.

F. Window(s): Any window treatments visible from the exterior of a home on any Lot must be white/neutral when viewed from the road. Window air conditioning units are prohibited.

G. HVAC/Generators: All HVAC units must be in a screened area not subject to view from any person, from any direction. Any permanent generator system or battery wall must be screened and not visible from the street. Any installation will require approval from ARC, as described and required herein, prior to installation.

H. Sight Distance at Intersections: No fence, wall, hedge or shrub planting that obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25' from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

I. Mailboxes: There will be a community mailbox. Multiple unit mailboxes will be constructed by the Declarant for the use of a number of owners within certain areas as determined by the Declarant and postal service. No single mailbox shall be installed on any lot or common area. By accepting a deed to any subject property, owner gives the Architectural Control Committee the right to remove any nonapproved mailbox in a reasonable manner; all costs for same shall be paid by owner, and all damages against the Architectural Control Committee are waived.

J. Signs: No sign, billboard, or other advertising of any kind, including without limitation professionally prepared "for sale" and "for rent" signs, shall be placed or erected on any Lot, right of way or Common Area save and except a professionally prepared "for sale" or "for rent" sign not to exceed six (6) square feet in size, unless otherwise approved by Declarant. Although approval by the Architectural Committee is not required prior to the display of such signs, the Architectural Committee may itself remove, have removed, or require the removal of any such sign which in its Lot but must be immediately removed upon final completion of such construction. Notwithstanding the above, any additions to the Project Property in the Development area may be further limited in regard to signs, billboards or advertising as set out in any Supplemental Declaration. Nothing herein shall prohibit any sign erected by the Declarant or its assigns.

K. Initial Construction: During the initial construction and any remodeling, etc., a dumpster/debris container must be placed on the Lot and not in the road. There is no restriction or limit on the length of time that a Lot Owner of a vacant Lot must build or begin construction. Once construction has begun, there will be a maximum of two (2) years build time. Fines will be assessed for violations.

L. Satellite Dishes/Antennas: Any radio or television satellite receiving dish shall be located in the rear of or attached to the rear of dwelling on any lot and no closer than 30 feet to the property line. No dish shall exceed 24 inches in diameter. There shall be no exterior antennas of any kind for receiving and/or sending of T.V., radio or other signals unless same have first been approved by the Architectural Committee.

M. Driveways/Parking: All driveways constructed on any lot shall be paved with concrete and shall have a concrete headwall. Driveway culverts or any culverts adjoining the public road that provide for drainage of runoff water shall be made of reinforced concrete pipe and must be installed at an appropriate grade to facilitate drainage of adjoining lots. The use of any ornamental structure, gravel rock, or other material at or around the driveway culvert is prohibited. The earthwork extending from the driveway to each end of the culvert shall be gently sloped and sodded. An Owner shall provide a minimum of two (2) paved off-street parking spaces, excluding garage space(s) and shall provide at least one per automobile or other vehicle owned and regularly used at the Lot. On street parking is prohibited except for temporary, short gatherings.

N. Vehicles, Boats, Storage, Travel Trailers, etc.: No vehicle without a current inspection sticker, vehicle over 7000 pounds empty weight, or bus shall be parked overnight on any lot except in an enclosed garage; provided, however, guests of an owner may so park such vehicle for a period not to exceed seven (7) days each calendar year. A motor home, pleasure boat or camper trailer on its trailer may be parked and raw firewood, bicycles, motorcycles, or other items may be stored only on that part of any lot away from the street lying beyond the front line of the house so that it is not viewable from any street.

O. Trees: Except as to development or construction by Declarant, or as may be approved by the Architectural Committee, no tree four (4) inches in diameter at any location on said tree or ten (10) feet in height shall be cut, removed, or intentionally damaged on any Lot unless first approved by the ARC. To request modifications, lot owner(s) must provide ARC with site plans and mark trees with flagging. Approval will be made no later than two (2) weeks from when ARC receives the request.

P.Swimming Pools: Outdoor inground swimming pools, hot tubs, Jacuzzis, and other similar facilities may be located on a lot only after the Architectural Committee approval and shall be screened and fenced. All such improvements shall be subject to the approval of and compliance with all governmental laws and regulations. No above-ground pools are permitted. Any pool must not be visible from any street or first-story neighboring residence. To secure safety for children, in-ground pools must be fenced and locked when not in use.

Q. Clotheslines: Exterior clotheslines shall be prohibited.

R. Landscaping: All Lots, including vacant and unoccupied, must be kept in a cut and clean manner. All Lots must have a minimum of ten (10) three-gallon shrubs in the front yard, and 1-3 inch caliper tree in front yard. Any Changes to shrubbery or landscaping must approved by ARC.

S.Flags: Only permitted flags are to be displayed on any Lot. Permitted flags include the Official American Flag, the Official North Carolina State Flag, and Official US Military Association Flag. Flags will be no larger than 3' x 5' No offensive, controversial, or discriminatory flags will be permitted. Flag poles mounted on the house may not be longer than 6'. Free-standing flag poles can be up to 20' in height. The ARC must approve the location and type of any free-standing flagpole before installation. If a flagpole is not in use, it must be taken down.

T. Temporary Structures and Recreational Equipment. No structure of a temporary character, trailer, tent, shack, garage, bar or other outbuilding shall be occupied or stored on any residential lot or abutting street. No trampoline(s) or other large recreational equipment or devices shall be permitted in the area between the front of the dwelling situated on any lot and the street right of way.

U. Lot Topography and Flow of Water. No owner shall be allowed to modify the topography or drainage channels on any lot which alters the natural flow of water from such Lot so as to increase the amount of surface water on any adjoining Lot.

W. Miscellaneous Restrictions Purpose. The purpose of the foregoing Miscellaneous Restrictions is to ensure the use of the properties for attractive residential uses, to prevent nuisances, to prevent impairment of the attractiveness of the property, to maintain the desirability of the community and thereby secure to each owner the full benefits and enjoyments of his home with no greater restrictions upon the free and undisturbed use of his property than are necessary to insure the same advantages to other owners.

ARTICLE XV

PROVISIONS RELATING TO WETLANDS

It shall be the responsibility of each Owner, prior to alteration of any Lot, to determine if any portion of the Lot shall have been determined to meet the requirements for designation as regulatory "wetlands". Any subsequent fill or alteration of the "wetlands" shall conform to the requirements of the wetlands rules adopted by the State of North Carolina and in force at the time of the proposed alteration. This restriction intends to prevent additional fill or alteration of designated "wetlands", so the property Owner should not assume that a future application for fill or alteration will be approved. The property Owner shall report the name of the subdivision in any application about "wetlands" rules. These covenants and restrictions are intended to ensure the continued compliance with "wetlands" rules adopted by the State of North Carolina; therefore compliance may be enforced by the State of North Carolina or an authorized agency or department thereof.

ARTICLE XVI

COMPLIANCE WITH TRAFFIC MAINTENANCE STANDARDS

Driveway headwalls, fences, basketball goals (permanent or portable), newspaper delivery boxes or other roadside obstructions, constructed or located within the right of way of any street as shown on the recorded plat of the subdivision in a location or out of materials determined to be a traffic safety hazard by the Declarant or Architectural Control Committee, shall not be permitted. It shall be the duty of the Owner of any Lot to remove such obstruction, at the Owner's sole expense, within thirty (30) days following written notification of such objection by the Declarant or Architectural Control Committee. In the event any Owner fails to remove an obstruction within the thirty (30) day period following receipt of notice of the objection, the Declarant shall be entitled, but not obligated, to remove the obstruction and recover the expense and cost, including reasonable attorney's fees, incurred in the removal.

ARTICLE XVII

GENERAL PROVISIONS

Section 1. Amendments/Modifications. The covenants and restrictions of this Declaration, are subject to being altered, modified, canceled or changed at any time as to said subdivision as a whole or as to any subdivided lot or part thereof by written document executed by the Declarant or its successors in title and by the owners of not less than sixty six and two thirds percent (66.67%) of the subdivided lots or

parts of said subdivision to which these restrictions apply, as recorded in the Office of the Register of Deeds of Onslow County, North Carolina. If the Declarant owns sixty six and two thirds percent (66.67%) or more of the subdivided lots, the Declarant may alter or amend these covenants without consent of anyone.

Section 2. Term. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Declarant, or the owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then owners of sixty six and two thirds percent (66.67%) of the subdivided lots has been recorded, agreeing to change said Covenants and Restrictions in whole or in part.

Section 3. Notices. Any notice required to be sent to any owner under the provision of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as an owner on the records of the Declarant at the time of such mailing.

Section 4. Remedies and Enforcement. In the case of failure of a Lot owner to comply with the terms and provisions contained in this Declaration, the Articles or the Bylaws of the Association, the following relief shall be available:

a. The Declarant (whether or not the Declarant is the owner of any Lot), the Association, any Lot owner and any party to whose benefit this Declaration inures, including but not limited to the State of North Carolina or its assignees with respect to the Permit, may proceed at law and in equity to prevent the violation or attempted violation of any term, covenant or provision of this Declaration, the Articles and Bylaws either to restrain violation or to recover damages for such violation and the court in any such action may award the successful party said party's reasonable expenses and costs in prosecuting such action, including reasonable attorney's fees.

b. The Declarant (whether or not the Declarant is the owner of any Lot), or the Association may assess a fine for violation of any term, covenant or provision of this Declaration, Articles or Bylaws, which shall not exceed **$250.00** per violation, and **$50** per week until the violation is remedied. This shall be deemed a special assessment enforceable as provided in Article XII, paragraph n.

c. The remedies hereby specified are cumulative and this specification of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law, in equity or under any statute. No delay or failure on the part of the Association, the Declarant or an aggrieved party to invoke an available remedy concerning a violation of any of this Declaration, the Articles and Bylaws shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to that party upon the reoccurrence or continuation of said violation or the occurrence of a different violation.

Section 5. Invalidation. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

ARTICLE XVIII

ANNEXATION OF ADDITIONAL PROPERTY INTO SUBDIVISION

The Declarant, for itself and its successors and assigns, hereby expressly reserves the right, but shall in no way be obligated, to expand the real property which is subject to this Declaration without the consent or joinder of any Owner or Owners of any Lot or Lots or person or entities having a lien or security interest in such Lot or Lots, by annexing, from time to time other real property into the Subdivision.

An amendment to this Declaration shall be made and recorded in the Office of the Register of Deeds of Onslow County, North Carolina, to include each portion of the real property which is to be subject to this Declaration, and each such portion of the real property shall constitute an addition to the Subdivision. The right of the Declarant, or its successors and assigns, to expand the Subdivision as herein provided shall expire fifteen (15) years following the date of recordation of this Declaration.

ARTICLE XIX

SUPPLEMENTAL DECLARATION(S)

The Declarant shall have the right, from time to time, to record Supplemental Declarations which may designate specific use and other restrictions within other real property annexed into the Subdivision, may create Common Areas within such other real property for the use of all owners in the Subdivision, as may be expanded, and may create a separate owners association exclusively for such other real property; and may exercise all rights reserved in Article XVIII, supra, provided however, no Supplemental Declaration shall avoid membership in the Association by Owners of Lots in said other real property.

IN TESTIMONY WHEREOF, Declarant, has executed this instrument the day and year first above written.

SOUTH STATE DEVELOPMENT, LLC, a North Carolina limited liability company

By: _____
Name: Jennifer Morton
Title: Manager

STATE OF NORTH CAROLINA

COUNTY OF ONSLOW

The undersigned, a notary public of the county and state aforesaid, does hereby certify that Jennifer Morton Ward, known to me or having provided satisfactory proof of his/her identity, personally came before me this day and acknowledged that he/she is a Manager of South State Development LLC, a North Carolina limited liability company, and that, by authority duly given and as the act of the limited liability company, he/she signed the foregoing instrument in its name on its behalf for the purposes set forth therein and in the capacity indicated.

Witness my hand and official seal this the 4 day of April, 2024.

Jessica Lawrence
Notary Public

My commission expires:

6-20-26

JESSICA LAWRENCE
Notary Public
North Carolina
Onslow County