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October 26, 2006 12:49:50
Book 3119 Page 425-448
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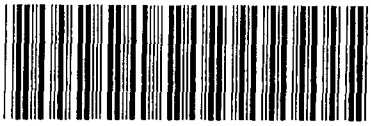

INSTRUMENT # 2006021222

AMENDMENT AND RESTATEMENT OF DECLARATION OF CONDITIONS, RESTRICTIONS, COVENANTS, AGREEMENTS AND EASEMENTS FOR CAROLINA EQUESTRIAN VILLAGE

Prepared by Robert S. Thomson

THIS AMENDMENT AND RESTATEMENT OF DECLARATION OF CONDITIONS, RESTRICTIONS, COVENANTS, AGREEMENTS AND EASEMENTS OF CAROLINA EQUESTRIAN VILLAGE (the "Amendment and Restatement") is made the 15th day of October, 2006 by and between **All Of The Owners of Property in Carolina Equestrian Village** (the "Owners") and **The Carolina Equestrian Village Owners Association, Inc., a North Carolina non-profit corporation** (the "Association").

W I T N E S S E T H:

WHEREAS, the developer of the property known as Carolina Equestrian Village, as shown on various Plats filed in the Moore County Registry, filed a Declaration of Protective Covenants in Book 396, Page 728 of the Moore County Registry (the "Declaration", as amended); and

WHEREAS, the Declaration was amended in Book 399, Page 681, Book 429, Page 382 and Book 1028, Page 280, Moore County Registry; and

WHEREAS, a vote of the Owners was taken by written ballot pursuant to NCGS §55A-7-08 after a meeting of the Board of Directors authorizing the Officers to amend the Declaration after approval of the Owners, and to file an Amendment and Restatement of Declaration of Conditions, Restrictions, Covenants, Agreements and Easements of Carolina Equestrian Village (the "Amendment and Restatement"); and

WHEREAS, a majority of the Owners of the property in Carolina Equestrian Village have responded and approved the Amendment and Restatement as per the requirements in the Declaration, and the Vote documentation is filed with the Corporate Secretary.

NOW, THEREFORE, the Officers of the Association hereby publish this Amendment and Restatement for the purpose of filing the new Amendment and Restatement on the public record in Moore County, North Carolina.

This Amendment and Restatement is intended to replace the prior Declaration and its amendments in their entirety and any reference to the Declaration shall mean this Amendment and Restatement as further amended from time to time.

HENCEFORTH, any reference to the "Declaration" or Conditions, Restrictions, Covenants, Agreements and Easements of Carolina Equestrian Village shall mean the Amendment and Restatement which is attached hereto and incorporated by reference and this Amendment and Restatement shall run with the Land and bind All Present and Future Owners of property in Carolina Equestrian Village.

Attached to this Amendment and Restatement are the Bylaws approved by the Board of Directors for filing with this Amendment and Restatement, which have been duly adopted by the Board of Directors and approved by the Vote of the Members of the Association.

IN WITNESS WHEREOF, the duly authorized Corporate Officers hereby execute this Amendment and Restatement the 19 day of October, 2006.

CAROLINA EQUESTRIAN VILLAGE OWNERS ASSOCIATION, INC.

By: _____
Ron VanCleef, President

By: _____
Joseph Sonoskus, Secretary

MOORE COUNTY
NORTH CAROLINA

I certify that the following person(s) personally appeared before me this day and (____) I have personal knowledge of the identify of the principal(s); (✓) I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a driver's license; (____) a credible witness has sworn to the identity of the principal(s); each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

Name of Principal(s): Ronald Vancleef

Date: 10/24/06

Mary M. Thompson
Notary Public

Mary M. Thompson
Printed or typed name of Notary Public

OFFICIAL SEAL
North Carolina Moore County
MARY M. THOMPSON
Notary Public
My Commission Expires April 4, 2009

My commission expires: 04/04/2009

STATE OF NORTH CAROLINA Attachment
COUNTY OF MOORE

AMENDMENT AND RESTATEMENTS OF CONDITIONS, RESTRICTIONS, COVENANTS, AGREEMENTS AND EASEMENTS OF CAROLINA EQUESTRIAN VILLAGE OWNERS ASSOCIATION

THIS AMENDMENT AND RESTATEMENT OF AMENDMENT AND RESTATEMENT OF CONDITIONS, RESTRICTIONS, COVENANTS, AGREEMENTS AND EASEMENTS OF CAROLINA EQUESTRIAN VILLAGE by and between all of the owners of lots and the Association within Carolina Equestrian Village in Moore County, North Carolina;

WITNESSETH: WHERE AS the original Declarant, James Frith, Jr. and Bonnie Ann Frith (collectively "Grantor"), as owners and developers, caused to be recorded an instrument creating certain Conditions, Restrictions, Covenants, Agreements and Easements in Book 396, Page 728 of the Moore County Registry; and

WHEREAS, such Conditions, Restrictions, Covenants, Agreements and Easements subjected the properties therein described to such Conditions, Restrictions, Covenants, Agreements and Easements setforth therein;

WHEREAS, paragraph 21 of the initial Amendment and Restatement Of Conditions, Restrictions, Covenants, Agreements And Easements provided that they could be changed at any time in whole or in part by an instrument signed by a majority of the then owners of the Lots and duly recorded in the Moore County Registry.

WHEREAS, the undersigned lot owners wish to amend and restate the initial Conditions Restrictions, Covenants, Agreements and Easements and to subject the same properties to the further Conditions, Restrictions, Covenants, Agreements and Easements contained herein.

WHEREAS, the parties hereto have agreed that by this document the parties will amend the initial Conditions, Restrictions, Covenants, Agreements and Easements in Book 396, Page 728 of the Moore County Registry; and

WHEREAS, the undersigned Lot Owners represent more than a majority of the Lots within the subdivision and therefore may amend the initial Conditions, Restrictions, Covenants, Agreements and Easements.

NOW, THEREFORE and in consideration of the mutual promises contained herein, the undersigned Lot Owners hereby amend and restate the initial Conditions, Restrictions, Covenants, Agreements and Easements recorded in Book 396, Page 728 of the Moore County Registry, and

further declare that all the properties described therein and subject thereto shall be held, sold and conveyed subject to the following Conditions, Restrictions, Covenants, Agreements and Easements (hereinafter, "Restrictions"), which are for the purpose of protecting the value and desirability of, in which shall run with, the real property and be binding upon all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

It is the intent and purpose of "CAROLINA EQUESTRIAN VILLAGE" to maintain the complex into an exclusive, gated residential and horse orientated housing subdivision of the highest quality and at the same time to retain the natural, unspoiled beauty now existing on the site, and to that end these restrictions and limitations are placed on all lots sold within this subdivision.

It is contemplated and intended that all purchasers and future owners of the various lots comprising "CAROLINA EQUESTRIAN VILLAGE" shall operate as an integrated entity with common benefits to be shared and common responsibilities to be borne by all such purchasers and future owners, In furtherance thereof, all such purchasers and owners shall participate in an association hereinafter described (the "ASSOCIATION"), the purpose and function of which shall be to administer such common benefits and responsibilities pertaining to the common interest and obligations of its members.

ARTICLE 1. PROPERTY OWNERS ASSOCIATION

Section 1. Establishment and Operation. The conditions, restrictions, covenants, agreements and easements set forth herein shall be administered by the Association of Owners of lots in the Subdivision referred to hereinabove. This Association ("The Carolina Equestrian Village Owners Association"), is a nonprofit corporation to be organized under the laws of the State of North Carolina. The Association shall manage, maintain and administer all matters pertaining to common expenses and common obligations of the owners and purchasers of lots in the Subdivision and is authorized to enforce the Restrictions contained herein and the By-Laws of the Association.

Section 2. Membership. Each owner of a lot in the Subdivision, upon the recordation of a deed to such lot, shall become a member in the Association for so long as such person shall be an owner of such lot. Each lot shall be deemed to have only one owner regardless of the number of persons owning undivided interest therein. The Grantor shall be a member of the Association with respect to all lots until such time as a land contract or deed shall be recorded to effectuate a conveyance of or to create an interest in such lot in some person or entity other than the Grantor.

Section 3. Voting Rights. Membership in the Association shall consist of two classes. One class, designated Class A membership, shall consist of all persons, other than Grantor, who are the record owners of Lots in the Subdivision. Each Class A member shall be entitled to one vote on any matter presented for a vote to the membership provided that there still be no more than one vote for each lot owned by a Class A member. The other class, designated Class B membership,

shall consist of the Grantor, its successors or assigns, which shall be entitled to one-third (1/3rd) of a vote for each Lot owned by it at any such meeting of the membership. In all respects other than their relative voting rights, the members of the two classes shall enjoy equal rights except as expressly provided in these Restrictions and in the Articles of Incorporation and By Laws of the Association. No additional votes may be created by the filing of any plat or the re-subdivision of any lot shown on any existing filed plat of Carolina Equestrian Village by the owners and developers, James L. Frith, Jr. and Bonnie L. Frith, or their successors or assigns. Eligible voting members shall be all those owners who remain in good and current standing. All persons or entities whose Association assessments are fully paid on all lots owned, shall be deemed members in good standing and shall be entitled to vote on any questions called before the membership.

Section 4. Assessment Agreement. Each property owner, by acceptance of a conveyance of a lot within Carolina Equestrian Village, whether or not it shall be expressed in any such deed or conveyance, shall be deemed to covenant and agree to pay:

(a) Annual assessments or maintenance charges, and

(b) Special assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made as hereinafter set out.

Section 5. Bylaws. The Carolina Equestrian Village Owners Association is governed by a set of By-Laws, which has a series of Articles designating location of the principal office; who shall be members; meetings of members; Board of Directors; meeting of directors who shall be officers of the Association; Architectural Committee; information on contracts, loans, checks and deposits; membership assessments; general provisions; and amendments.

ARTICLE II. MAINTENANCE FUND (ASSESSMENT)

Section 1. Annual Assessment or Charge. All Lots included in the plat of the Subdivision which has been mapped and recorded, except streets, parks and common areas maintained for the general use of the owners of Lots in the Subdivision, shall be subject to an annual maintenance charge (assessment) to be paid by such owners annually in advance on the first day of each year, and shall be subject to special assessments as provided herein.

Section 2. Purpose of Assessments. The assessments, annual and special, as aforesaid shall be for the purpose of promoting the recreation, health, safety and welfare of property owners and in particular for the improvement, operation and maintenance of facilities and services relating to the common areas, including, but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management, and supervision thereof, the payment of taxes assessed against the common areas, insurance thereon, the employment of attorneys to represent the Association when necessary, maintaining landscaping, roads and right-of ways, and

such other needs as may arise those services important to the development and preservation of an attractive community appearance and for the privacy and general safety of all homesites. All persons or entities whose Association assessments are fully paid on all lots owned, shall be deemed members in good standing and shall be allowed to use the facilities (pool, barns, tennis courts, lakes, trails, etc. and any future facilities that might be added).

Section 3. Annual Assessment Amount. The annual assessments shall be established for each owner of a developed lot and for each owner of an undeveloped lot. A developed lot will be assessed at a higher rate. A developed lot is defined as a lot where a house has been built, is under construction, or has been approved for construction by the Architectural Committee. The amount of the annual assessment charge shall be established and may be adjusted from year to year. The amount of this assessment may, after consideration of current maintenance costs and future needs, be changed for any year, provided that such changes shall have the approval by the majority of the members voting in person or by proxy at a duly called and noticed meeting, but in no event shall such change be more than fifty dollars ($50.00) per lot per year. Dues shall be assessed per lot and the full amount of the charge for dues and assessments shall be paid by each lot regardless of the ownership thereof; provided however, that Class B member who owns an undeveloped lot shall make payment only at a rate one third (1/3) as great as that charged Class A member who owns an undeveloped lot. Class B member who owns a developed lot will pay the same amount of dues and assessments as a Class A member who owns a developed lot.

Section 4. Assessment Year Basis. The annual assessment provided for herein shall be on a calendar year basis. Annual assessments shall be payable in advance and shall be due no later than January 1 of each year. Interest at the rate of nine (9%) percent will be assessed for late payments after the past due date of February 28 of the assessment year. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been theretofore established by the Board of Directors of the Association to defray the costs of late payment. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, late payment fee, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 5. Special Assessments. In addition to the annual assessment charge authorized herein, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part the costs of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the common properties. Such special assessments may be levied only after obtaining the written consent of the Owners of at least 51% of the aggregate numbers of Lots then subject to the Declaration. Furthermore, special assessment may be assessed against specific lots and owners by the Board of Directors of the Association in the event the owner of a lot fails to comply with any of these Restrictions or By-Laws and the Association incurs costs to remedy such a violation.

Section 6. Membership Roster. The Association shall prepare and maintain a roster of all members and assessments applicable thereto which roster shall be accessible to all members of the

Association upon written request. Members are responsibility for notifying the Board of Directors of Carolina Equestrian Village on any changes to their current mailing address and telephone number.

Section 7. Assessment Lien. If the assessments, either annual or special, are not paid when due, then such assessments shall become delinquent and shall, together with such interest thereon, and costs of collection thereof, as hereinafter provided, become a continuing lien on the property, in the hands of the owner, his heirs and assigns. The personal obligation of the owner to pay such assessment, however, shall remain his personal obligation for the statutory period provided by law and shall not pass to his successors in title unless expressly assumed by them. The Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property.

The lien of the assessments provided for in this article shall be prior to and superior to all other liens except only (1) ad valorem taxes (2) all sums unpaid on a first mortgage or deed of trust to secure debt or record. The sale or transfer of any lot shall not affect the assessments lien, provided, however, that the sale or transfer of any lot pursuant to the foreclosure of a first mortgage thereon shall extinguish the lien of such assessments as to the payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due or from the lien thereof.

Section 8. Property Exempt from Assessment Liens. There shall be exempted from the charges and liens herein all common properties dedicated and used for the benefit of all property owners of Carolina Equestrian Village.

Section 9. Collection and Disbursement of Assessments. All assessments, both annual and special, as herein provided, shall be levied, collected and disbursed by the Association or an independent agent which the Board of Directors of the Association designated which the agent shall be entitled to receive reasonable compensation to be fixed by negotiations between the Board of Directors and the Designated Agent.

ARTICLE III. ARCHITECTURAL CONTROL

In order to assure an aesthetically pleasing and compatible residential community at Carolina Equestrian Village, the Association has established a standing committee called the Architectural Committee. The design philosophy of the Architectural Committee is to maintain as much of the natural beauty of the existing topography afforded Carolina Equestrian Village as possible. The Committee will deter from the traditional suburban development approach that dictates a row effect and attempt to have houses interspersed with the natural lay of the land.

Section 1. Architectural Committee.

(a) Composition. An architectural committee will be nominated from a list of candidates drawn from the total membership, who are members in good standing; and will be

approved or disapproved by vote at the annual meeting in the same manner as the election of new Board members. This committee will consist of 3 members. Each member of the Architectural Committee shall hold office for three (3) years, initially staggered, or until his/her death, resignation, retirement, removal, disqualification, or his successor is elected. The chairperson of the Architectural Committee shall be a member of the Board of Directors. If, during the course of the year, a committee member can no longer fulfill the necessary duties, the Carolina Equestrian Village Board of Directors has the responsibility and authority to name a replacement.

(b) Responsibilities. The committee shall approve or disapprove, before the commencement of construction, the construction or installation of any improvements upon any Lot within the subdivision. All improvements made upon Lots shall be in accordance with the Architectural Committee policies and procedures. If the decision of the Architectural Committee is for disapproval of such improvements upon any Lot, the owner shall have the right to appeal that decision to the Board of Directors of the Owners Association for final determination by the Board of Directors.

(c) Approval of Builders. Any builder of any home on any property subject to this Declaration must, before beginning construction of each such home, be licensed by the North Carolina Board of General Contractors of a sufficient level for the contract price of the project. Any grievances should be handled through the state agency. In lieu of a licensed contractor, a lot owner will be permitted to act as his own builder.

Section 2. Building Requirements.

(a) Location. No building of any kind, including garages, shall be located on any building site less than 50 feet from the front and 50 feet from the rear lot lines and less than 20 feet from any side lot line. Variances may be made by the Architectural Committee for problem areas such as corner lots, lots with odd shapes, topography and lots that are back to back. Variances should be made only after taking into account adjacent structures already in existence and that might be properly planned in the future. This 50 feet and 20 feet reserved easement is for the purpose of a Riding Bridal Path or walking trail to be used by the Owners and their guests of lots of Carolina Equestrian Village. In addition, this easement may be used for underground utilities and drainage. In the event that any Owner of two or more adjacent Lots shall prepare plans for construction of a house on the line separating two or more such Lots, the Architectural Committee shall be authorized to release said easement, as long as it does not interfere with the Bridal/Walking Path or utilities or drainage.

(b) Final Plans and Specifications. No house, preconstruction lot clearing, garage, playhouse, outbuilding, fence, wall or other above-ground structure shall be commenced, constructed, erected, or maintained upon any property subject to this Declaration, nor shall any exterior addition to, change in, or alteration of any said structures be made until complete final plans and specifications showing the nature, kind, shape, height, materials, basic exterior finishes and colors, locations and floor plans thereof, and showing front, side, and rear elevations thereof and the name of the builder, have been submitted to, and approved in writing by, the Architectural Committee, its agents, successors, or assigns, as to harmony of exterior design and general quality

with the existing standards of the neighborhood and as to location in surrounding structure and topography. All house plans must include provisions for a garage or carport. The work of construction, altering, or remodeling, and building on any Lot or Lots shall be pursued diligently form the commencement until the completion thereof, and shall be completed within one (1) year of start of construction. No mobile home, cement block or cement block chimney attached to any home, nor modular home will be allowed as a residential dwelling.

(c) One Story or Split Level Dwellings. The enclosed, heated living area (exclusive of garages, porches, terraces, bulk storage and basement) of one-story or split level dwellings shall cover a ground area of not less than 1,700 square feet.

(d) Story-and-a Half Dwellings. The enclosed, heated living area (exclusive of garages, porches, terraces, bulk storage and basement) of all story-and-a-half dwellings shall cover a ground area of not less than 1,500 square feet. All story-and-a-half dwellings shall have a minimum of 2,100 square feet of floor space in enclosed, heated living areas, except that if the ground area covered is at least 1,700 square feet, the requirement of the 2,100 square feet of total living area shall not apply.

(e) Two-Story Dwellings. The enclosed, heated living area, (exclusive of garages, porches, terraces, bulk storage and basement) of all two-story dwellings shall cover a ground area of not less than 1,100 square feet. All two-story dwellings shall have a minimum of 2,200 square feet of floor space in enclosed, heated living areas, except that if the ground area covered is at least 1,700 square feet, the requirement of 2,200 square feet of total living area shall not apply.

(f) Maintenance during Construction. During construction of any structure, above or below ground, on any property subject to these restrictive covenants, it shall be the responsibility of the owner:

1. To insure that the building site and roads in the subdivision are clean and free of any construction debris; and

2. To repair any cuts in the surface of the road made by said construction. Upon completion of construction, the owner shall insure that the road which has been cut shall be restored to equal or better standards than the remainder of the road; and

3. To be responsible for the actions of any builder or subcontractor working on the construction, and to insure that all such builders or subcontractors keep the roads in Carolina Equestrian Village to the same standards as the owner is required to keep them.

(g) Water Drainage. Grading of the lot shall be such that the natural drainage is not disturbed and diverted to an adjacent lot. All structures shall be constructed on lots properly graded so as to insure that no excessive rain water is discharged upon the adjoining lot.

(h) Chimney Spark Arresters. All dwellings must be equipped with a spark arrestor on each chimney.

(i) Grandfather Provision. An improvement or use on any lot that lawfully existed prior to the recordation of this instrument is not made a violation or nonconformity by the imposition of the requirements in this Section 2 of Article III.

ARTICLE IV. GENERAL REQUIREMENTS

Section 1. Occupancy. Before any house may be occupied it must be completely finished on the exterior; all of the yard which is visible from any street must be planted with grass or have other ground cover approved by the Architectural Committee. In addition, a Certificate of Occupancy (C.O.) must be obtained from the appropriate county agency or municipality.

Section 2. Garbage and Refuse Disposal. Containers for garbage or other refuse shall be underground or kept in sanitary enclosures so as not to be accessible to animals or visible when any such enclosure is shut and shall be maintained under sanitary conditions.

Section 3. Fuel Tanks. No fuel tanks or storage receptacles shall be visible to the occupants of other lots or the users of any road or recreational area.

Section 4. Animals and Livestock.

(a) No animals, including wild or dangerous, livestock, or poultry of any kind shall be raised, kept or bred on the property except house pets and horses, providing that they are not kept, bred, or maintained for any commercial purposes. Kennel operations are not permitted. A kennel is defined here as an establishment for the breeding or boarding of any animal.

(b) No owner maintaining a pet shall permit or negligently allow such pet to run at large at any time in those areas designated to be subject to these provisions, unless such pet can be under control, and in the custody of the person maintaining such animal, or other person assuming control of such pet.

(c) In keeping with the theme of this development to create an equestrian community with observance of good environmental practices, the number of horses belonging to the owner of any lot shall be limited to (1) horse per one (1) acre of pasture land owned. The lot owner shall be responsible for controlling odor, insects, animal waste and runoff as it relates to the keeping of horses on said lot. Should the owner fail to comply with these strict standards, complaints may be issued to the Board of Directors of the Association or its agents or contractors and shall have the right to enter said property and bring it up to suitable standards at the owners expense. Horse stables, paddocks or facilities located on individual lots shall not be used or maintained for any commercial purpose.

Section 5. Lot Use. All lots subject to these requirements shall be used as one detached single

family residential building site occupied only by the Owner (or owners), his family, his servants and guests, or lessees, and in addition, only unless an improvement for which architectural approval is granted is built on an adjoining lot and both lots will constitute one homesite; provided, however, that each of such lots will be separately assessed. No Lot shall be subdivided, or its boundary lines changed. No lot shall be used in whole or in part for the storage of any property or thing that will cause such lot to appear in an unclean disorderly or untidy condition or that will be otherwise obnoxious. No obnoxious or offensive activity shall be carried on upon any lot nor shall anything be done, placed or stored thereon which may be or become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will, or might, disturb the peace, quiet, comfort or serenity of the occupants of nearby Lots. No hunting on Lots nor in Common Areas.

Section 6. Lake Use. The use of the lakes for any purpose is restricted to owners of lots and their guest. No motor boats or any type of vehicle driven by gasoline motor will be permitted on said lakes except those driven by electric motors. Sail boats and other non-motorized boats will be permitted on said lakes. For the purpose of avoiding an unsightly or undesirable waterfront, no boathouse, bathhouse, private dock, pier raft or landing site or other structure shall be erected or maintained at or upon the shoreline of any building site, excepting where special written permission is granted by the Architectural Committee. The Architectural Committee will only give permission for such structure if the structure does not in any way detract from the natural beauty of the lake. No cut or change in the shore line of any lake shall be made nor shall any boat canal be dug or excavated nor shall any fill be made in any lake without the prior written approval of the Architectural Committee.

Section 7. General Property Maintenance. Each owner shall keep his building site free of tall grass, undergrowth, dead or diseased trees, trash and rubbish and properly maintained, so as to present a pleasing appearance. In the event an owner of any building site does not properly maintain his building site, as above provided, in the Architectural Committee guidelines, then the Architectural Committee may have the required work done and the costs thus incurred in performing the work shall be paid by the owner. An undeveloped lot may remain in a natural state.

Section 8. Nuisances. No noxious or offensive trade or activity shall be carried on upon any building site, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No junk cars, equipment, or similar vehicles or equipment shall be permitted to remain on any tract unless said vehicles or equipment are placed out of the view of the right of way or completely enclosed in an outbuilding or garage. All parts of the Property and the Common Areas shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard allowed to exist. No damage to or waste of the Common Areas or any part thereof shall be committed by any Owner or his family, visitors, guests, servants, lessees, agents, invitees and each Owner shall indemnify and hold the Association and the other Owners harmless against all losses resulting from any such damage or waste.

Section 9. Trade Materials/Recreational Vehicles. No trade materials or inventories may be

stored upon the premises and no commercial trucks, buses, self-motorized camping vehicles, or tractors may be stored or regularly parked on the premises except in garages, or well screened enclosures.

Section 10. Signs. No advertising signs shall be permitted on any lot except one professionally lettered builder's identification sign during construction. No Realtor's signs are permitted.

Section 11. Underground Utilities. All telephone, electric and other utility lines and connections between the main utility lines and residence and other buildings located on each building site shall be concealed and located underground, so as not to be visible on the lot. No outside antennas, satellite dishes, or other paraphernalia of any sort of descriptions shall be visible to the occupants of other lots or the users of any road or recreational area, provided that satellite dishes 1 meter or less in diameter shall not be subject to the foregoing if such location precludes reception of an acceptable quality signal. No towers will be allowed. No utility poles allowed except in the Common Areas.

Section 12. Rules. The Board of Directors is authorized to make and enforce rules governing the common areas including the recreation areas, and other areas of general interest and maintenance of properties.

Section 13. Temporary Structures. No trailer, basement, (unless said basement is part of a residence erected at the time), tent, shack, barn, or other outbuilding or temporary structure shall be erected or placed on any building site covered by these covenants, except as specifically permitted herein. A construction trailer/building for use by the Builder for the storage of materials, tools, and equipment during construction of a home is allowed.

Section 14. Trees. No trees in excess of four (4) inches or more in diameter shall be removed without written approval of the Architectural Committee. Properly planned permanent pasture will be allowed so long as no more than 50% of any presently platted tract is cleared and plans are approved by the Architectural Committee. Home sites and driveways to buildings or pasture lands may be cleared after approval by the Architectural Committee. Dead and diseased trees may be removed immediately without approval.

Section 15. Clothes Lines. No clothes lines, clothing, or other paraphernalia of any sort of descriptions shall be visible to the occupants of other lots or the users of any road or recreational area.

Section 16. Effective Periods. These Covenants, Reservations and Restrictions are to run with the land and shall be binding on all parties claiming under them until October 15, 2016, at which time said Covenants, Reservations and Restrictions shall be automatically extended for successive periods of ten years unless by a vote of a majority of then owners of the residential building sites covered by these or substantially identical covenants, it is agreed to change the covenants in whole or in part, and an instrument to that effect is recorded.

Section 17. Enforcement. In the case of failure of a Lot Owner to comply with the terms and

provisions contained in this Statement or the By-Laws of the Owners Association, the following relief shall be available:

(a) The Owners Association, an aggrieved Lot Owner or Owners within Carolina Equestrian Village on behalf of the Owners Association, or any Lot Owner on behalf of all the Lot Owners within Carolina Equestrian Village shall have the right to enforce by proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now and hereinafter imposed by the provisions herein.

(b) The Owners Association shall have the right to remedy the violation and assess the costs or remedying same against offending Lot Owner as a special assessment.

(c) If the violation is the nonpayment of any general or special assessment, the Board of Directors of the Owners Association shall have the right to suspend the offending Owner's voting rights and the use by such Owner, his family, employees and invites of the common areas in Carolina Equestrian Village for any period during which an assessment against the Lot remains unpaid.

(d) The remedies provided by this Section are cumulative, and are in addition to any other remedies provided by law.

(e) Failure by the Owners Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to enforce such restrictions thereafter as to the same violation or subsequent violation of similar character.

Section 18. North Carolina Planned Community Act. The provisions of Chapter 47F of the North Carolina General Statutes (the "North Carolina Planned Community Act") are hereby made applicable to Carolina Equestrian Village development and Carolina Equestrian Village Owners Association, Inc. pursuant to N.C.G.S. 47F-1-102(d).

Section 19. Captions. The captions preceding the various sections of these Restrictions are for the convenience of reference only, and shall not be used as an aid in interpretation or construction of this statement.