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Currituck County North Carolina
Denise A. Hall, Register of Deeds
BK 1376 PG 806 - 828 (23)

NORTH CAROLINA
CURRITUCK COUNTY

Prepared by and return to:
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DECLARATION OF RESTRICTIVE COVENANTS OF LAUREL WOODS ESTATES

THIS DECLARATION is made and entered into this the 26TH day of AUGUST, 2012, by and between LAUREL WOODS ESTATES NC, LLC, party of the first part (hereinafter referred to as "Developer"); and prospective purchasers and/or any person subsequently acquiring title to or possession of any Lot or Lots in Laurel Woods Estates, parties of the second part (hereinafter collectively referred to as "Owners");

WITNESSETH:

WHEREAS, Developer is the Owner of all of that tract of real property located in CRAWFORD Township, Currituck County, North Carolina, and being more particularly shown and described on that certain map or plat entitled "LAUREL WOODS ESTATES PH4," recorded in Map Book 0 at Page(s) 115 in the office of the Register of Deeds of Currituck County, North Carolina, reference to said plats being hereby specifically made; and

WHEREAS, Developer proposes to sell and convey certain Lots shown on the aforesaid plat to be used for residential purposes and to develop said Lots, and any additional property within or adjacent to the Development Area which may be acquired by Developer, into a well planned community; and

WHEREAS, Developer, prior to selling and conveying the aforesaid residential Lots, desires to impose upon such Lots certain mutual and beneficial restrictions, covenants and conditions and charges (hereinafter collectively referred to as "Restrictions") for the benefit and complement of all of the residential Lots in the subdivision in order to promote the best interests and protect the investments of Developer and Owners;

NOW, THEREFORE, Developer hereby declares that all numbered Lots shown on the aforesaid plat entitled "Laurel Woods Estates," recorded in Map Book 0 at Page(s) 115 recorded in Map Book 0 at Page 115 and also include Map Book 0 at Page(s) 115 recorded in Map Book 0 at Page 115 also in the office of the Register of Deeds of Currituck County, North Carolina, and any additional property as may by subsequent amendment be added to and subjected to this Declaration, are held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to this Declaration and to the following Restrictions. This Declaration and the Restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof subject to this Declaration.

ARTICLE 1
DEFINITIONS

As used herein, the following definitions shall be applicable to this Declaration of Restrictive Covenants:

- A. "Articles" means the Articles of the Incorporation of Laurel Woods Estates NC Homeowners Association, Inc.
- B. "Corporation" means Laurel Woods Estates NC Homeowners Association, Inc., a North Carolina non-profit corporation.
- C. "Board of Directors" or "Board" shall be the elected body governing the Corporation and managing the affairs of the Corporation pursuant to the By-Laws of the Corporation adopted by the incorporators of said Corporation and as amended.
- D. "Incorporators" means the original incorporators of Laurel Woods Estates NC Homeowners Association, Inc.
- E. "By-Laws" means the By-Laws of Laurel Woods Estates NC Homeowners Association, Inc.
- F. "Community Use Areas" means all real and personal property owned by the Corporation, together with those areas within dedicated portions of the Development Area and the Subdivision, which may be deeded to or acquired by the Corporation for the common enjoyment of the members of the Corporation. The Community Use Areas to be owned by the Association shall include that property designated and delineated as "Open Space" on that certain plat recorded in Plat Book 0, Page 115, Currituck County Registry and those certain walkways, ponds, and open space are delineated as "Open Space" on the aforementioned plat.
- G. "Common Expenses" means and includes actual and estimated expenses of maintaining and operating the Community Use Areas and operating the Corporation for general purposes, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the By-Laws and the Articles of Incorporation of the Corporation.
- H. "Declarant" means LAUREL WOODS ESTATES NC LLC, its successors or assigns or any legal entity acquiring Ownership of portions of the Development Area heretofore not dedicated with the intent and for the purpose of further development.
- I. "Dedication" means the act of committing a portion of the Development Area or the Subdivision to the purposes of this Declaration.
- J. "Developer" means LAUREL WOODS ESTATES NC LLC, its successors or assigns or any legal entity acquiring Ownership of portions of the Development Area heretofore not dedicated with the intent and for the purpose of further development.
- K. "Development Area" shall mean that property described by deed recorded in Deed Book 0, Page 115, and a certain map or plat entitled

" _____," and delineated in that certain plat recorded in Map Book _____ at Page _____ in the office of the Register of Deeds of Currituck County, North Carolina in the Office of the Register of Deeds of Currituck County, North Carolina.

L. "Lot" means a separately numbered tract of land lying within the Subdivision or other dedicated portion of the Development Area and which, according to the plat of that portion recorded at the dedication thereof, may be conveyed by the Developer and owned in fee by the Grantee thereof, and held for such uses as are consistent with this Declaration and the Restrictions covering the area wherein the tract is located. No tract of land shall become a "Lot" as that word is used herein until the area on which the same is located is "dedicated." The Owner of all of a numbered Lot may combine such Lot with part or parts of another such numbered Lot and the aggregate shall be considered as one Lot for the purpose of these Restrictions.

M. "Subdivision" means Laurel Woods Estates and any portion of the Development Area which has been dedicated pursuant to this Declaration.

N. "Architectural Control Committee," hereinafter referred to as the Committee, means the committee appointed by the Board of Directors of the Corporation, pursuant to the By-Laws of the Corporation, to approve all construction in Laurel Woods Estates.

O. "Trailerable Boats" means boats which may be legally trailered upon the highways of this state without permits and which are trailered in their ordinary use and enjoyment.

P. "Subdivision Plat" shall mean and refer to that certain map or plat entitled "Laurel Woods Estates," prepared by BISSELL PROF. GROUP, under date of 8/25/16, and recorded in Map Book 0 at Page 115, in the Office of the Register of Deeds of Currituck County, North Carolina.

ARTICLE 2

PROPERTY RIGHTS

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

1. the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

2. the right of the Association to suspend the voting rights and right to use the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

3. the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the members;

No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of the members of the Association has been recorded.

B. Delegation of Use: Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, tenants, or contract purchases who reside on the property.

ARTICLE 3

APPLICABILITY

These restrictions shall apply to all Lots shown on the aforesaid plat or map, and additional plats or maps of subdivisions of the Development Area, which Lots are for single family, residential purposes only. These Restrictions shall not be applicable to any unnumbered lands or lands designated on the plat as "Open Space" or other lands of Developer, and Developer is withholding these parcels from these Restrictions pursuant to its general scheme of development, the absence of Restrictions thereupon being intended to allow Developer maximum flexibility in the determination of the development of such parcels.

ARTICLE 4

LAUREL WOODS ESTATES NC HOMEOWNERS ASSOCIATION, INC.

A. A corporation named Laurel Woods Estates NC Homeowners Association, Inc., has been formed pursuant to the rules and requirements of the Non-Profit Corporation Act (Chapter 55A) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to own, manage, maintain, and operate the Community Use Areas and facilities located upon the Community Use Areas; to enforce the restrictions contained herein; to make and enforce rules and regulations governing the Owners' use and occupation of Lots; and to assess and collect assessments levied by the Corporation as necessary for the Ownership, management, maintenance and operation of the Community Use Areas and facilities located thereon and for the operation of the affairs of the Corporation as set out in the By-Laws of the Corporation.

B. Each Owner of each Lot within the Subdivision shall be a member of the Corporation automatically with the purchase of any lot Membership is mandatory for all owners of or purchasers of land within the subdivision and their successors in title. The Declarant, by this Declaration, and the Owners of individual Lots by their acceptance of individual deeds thereto agree and covenant that they shall be a member of the Corporation and covenant and agree with respect to the Corporation:

1. 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 Corporation.

2. That each shall be subject to the rules and regulations of the Corporation with regard to Ownership of a Lot.

3. That any unpaid assessment, whether general or special, levied by the Corporation in accordance with these Restrictions, the Articles or the By-Laws shall be a lien upon the Lot upon which such assessment was levied, and shall be the personal obligation of the Owner of the Lot at the time the assessment fell due and shall be subordinate only to tax and mortgage liens.

4. All members of an association shall be responsible for contributions to the association's reserve fund to cover their proportionate share of maintenance costs associated with common areas, common features, and private infrastructure.

C. Each membership in the Corporation shall relate to and have a unity of interest with an individual Lot which may not be separated from Ownership of said Lot.

D. The association documents shall establish that the subdivider shall maintain the common area, common facilities, and infrastructure until 51 percent of the lots are sold; and is responsible for maintaining the subdivision's common areas, common facilities, and private infrastructure shall be transferred in accordance with the standards in Section 6.1.4.F, Transfer of Maintenance Responsibility of the Currituck County, UDO. Maintenance responsibility is not transferred from the subdivider or developer to the association until all of the immediately following occur:

1. At least 51 percent of the total number of lots in the subdivision are sold; and
2. The subdivider or developer provides an affidavit or resolution signed by the association president that accepts maintenance responsibility for the subdivision; and
3. The subdivider or developer commissions a report prepared by a licensed engineer indicating that all common areas, common features, and infrastructure elements comply with the minimum standards in this Ordinance and the County Code of Ordinances; and
4. County staff reviews and approves the report prepared by a licensed engineer; and
5. A reserve fund dedicated to the continued maintenance and upkeep of common areas, common features, and private infrastructure is established with a banking institution acceptable to the county in the name of the association, that contains a minimum balance equal to 10 percent of the construction costs of all common areas, common features, and private infrastructure, or \$10,000.00, whichever is greater. In the event the association has not collected sufficient assessment funds from the lot owners in the subdivision to meet the minimum balance requirements of the reserve fund, the subdivider or developer shall be responsible for the difference needed to meet the minimum balance requirements.

Applications to turn over maintenance responsibility to the association for common areas, common features, or private infrastructure prior to conveyance of 51 percent of the lots in the subdivision may be reviewed by the Board of Commissioners. The Board of Commissioners, at the request of the subdivider, shall waive the requirement upon a finding that the association has sufficient financial capacity to assume maintenance responsibility for common areas, common facilities, and private infrastructure.

E. The Association understands that it is responsible to have and maintain in good standing liability insurance and must pay all applicable taxes for common areas.

F. The Association understands and accepts that it is responsible for on-site improvements not dedicated to local or state agency, not limited to streets, drainage systems, open space areas, and recreational facilities.

ARTICLE 5

MANAGEMENT AND ADMINISTRATION

The management and administration of the affairs of the Community Use Areas of the Subdivision shall be the sole right and responsibility of the Corporation. The management shall be carried out in accordance with the terms and conditions of these Restrictions, the Articles and

the By-Laws of the Corporation, but may be delegated or contracted to managers or management services.

ARTICLE 6

COMMUNITY EXPENSES

The Community Expenses of the Subdivision include:

- A. All amounts expended by the Corporation in:
 - 1. Operating the affairs of the Corporation;
 - 2. Operating, administering, managing, repairing, replacing and improving the Community Use Areas of the Subdivision;
 - 3. Insuring the Community Use Areas in the Subdivision;
 - 4. Legal, insurance, engineering, or architectural fees;
 - 5. Performing the functions delegated to the Corporation by these Restrictions; and
 - 6. In enforcing these Restrictions, the Articles or the By-Laws.
- B. All amounts expended by the Corporation in carrying out any duty or discretion as may be required or allowed by these Restrictions, the Articles or the By-Laws.
- C. All amounts declared to be Community Expenses in the By-Laws or in these Restrictions.
- D. All taxes and special assessments which may be levied from time to time by any governmental authority upon the Community Use Areas in the Subdivision.

ARTICLE 7

ANNUAL GENERAL ASSESSMENT

A. The Declarant for each Lot owned, hereby covenants and each Owner of any Lot by acceptance of a deed for same (whether or not it shall be so expressed in such deed) is deemed to covenant and agrees to pay to the Corporation annual general assessments or charges as hereinafter provided. The annual general assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions of Paragraph F of this Article, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a Lot unless expressly assumed by them but, subject to the provisions of this Declaration, delinquent assessments shall continue to be a lien upon such Lot.

B. Until June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment allowed shall not exceed One Hundred and No/100 Dollars (\$500.00) per Lot.

1. From and after June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment may be increased each year not more than ten percent (10%) above the assessment for the previous year without any vote of the membership.

2. From and after June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment may be increased by an amount greater than ten percent (10%) of the assessment for the previous year provided the proposed increase is approved by a vote of two-thirds (2/3) of the members who are voting in person or by a proxy at a meeting duly called for this purpose.

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

4. Once the annual general assessment has been set, notice of the annual general assessment shall be given to all members. After the initial notice of the assessment, the assessment shall become due and payable as provided by the Board of Directors.

C. Written notice of any meeting called for the purpose of taking any action authorized under Paragraph 2.B. shall be sent to all members not less than thirty (30) days, nor 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 sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

D. The annual general assessments levied by the Corporation shall be used exclusively to improve, maintain and repair the Community Use Areas, to pay the expenses of the Corporation, to pay the cost of lighting the Community Use Areas, to pay the cost of any insurance the Corporation determines to purchase and to promote the recreation, health, safety and welfare of the members and to pay taxes levied upon the community Use Areas.

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

F. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE 8

SPECIAL ASSESSMENTS

Special assessments may be levied against Lots for such reasons as are provided in these Restrictions, the Articles or the By-Laws and on such terms as provided by the Board of Directors or the members. Either the Board of Directors or the members may levy and impose special assessments upon a majority vote. The purposes for which special assessments may be levied include, but are not limited to, providing funds to pay Community Expenses which exceed the general assessment fund then on hand to pay same and providing a contingency fund for capital improvements and extraordinary expenses. Furthermore, special assessments may be assessed against specific Lots. In the event the Owner of a Lot fails to comply with the provisions of Article 12 hereof, the Corporation may perform such task or remedy such matter and levy the cost of such performance against the Owner of such Lot and such Lot as a special assessment.

ARTICLE 9

LIEN FOR ASSESSMENTS

Any general or 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 Corporation may record notice of the same in the Office of the Clerk of Superior Court of Currituck County or file a suit to collect such delinquent assessments and charges. The Corporation 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. No Owner may waive or otherwise escape liability for the assessments provided for herein.

ARTICLE 10

COMPLIANCE WITH THIS DECLARATION, THE ARTICLES AND THE BY-LAWS OF THE CORPORATION

In the case of failure of a Lot Owner to comply with the terms and provisions contained in this Declaration, the Articles or the By-Laws of the Corporation, the following relief shall be available:

A. The Corporation, an aggrieved Lot Owner or Owners within the Subdivision on behalf of the Corporation, or any Lot Owner on behalf of all the Lot Owners within the Subdivision shall have the right to bring an action and recover sums due, damages, injunctive relief, and/or such other and further relief as may be just and appropriate.

B. The Corporation shall have the right to remedy the violation and assess the costs of remedying same against the offending Lot Owner as a special assessment.

C. If the violation is the nonpayment of any general or special assessment, the Corporation shall have the right to suspend the offending Owner's voting rights and the use by such Owner, his agents, employees and invitees of the Community Use Areas in the Subdivision for any period during which an assessment against the Lot remains unpaid.

D. The remedies provided by this Article are cumulative, and are in addition to any other remedies provided by law.

E. The failure of the Corporation or any Person to enforce any restriction contained in these Restrictions, the Articles or the By-Laws shall not be deemed to waive the right to enforce such restrictions thereafter as to the same violation or subsequent violation of similar character.

Prior to availing itself of the relief specified herein, the Corporation shall follow the hearing procedures as set forth in the By-Laws.

ARTICLE 11

PROPERTY RIGHTS OF LOT OWNER, CROSS-EASEMENTS, AND EXCEPTIONS AND RESERVATIONS BY DECLARANT

A. Every Owner of a Lot within the Subdivision, as an appurtenance to such Lot, shall have a perpetual easement over and upon the Community Use Areas within the Subdivision for each and every purpose or use to which such Community Use Areas were intended as determined by their type, or for which such Community Use Areas generally are used. Such easements shall be appurtenant to and shall pass with the title to every Lot located within the Subdivision, whether or not specifically included in a deed thereto, subject to the following provisions:

1. The Corporation shall have the right to make reasonable rules and regulations respecting the use of same.

2. The Corporation shall have the right to suspend the voting rights of a Lot Owner and his right to use the Community Use Areas within the Subdivision for any period during which the due assessment against such Owner's Lot remains unpaid as is provided by Article 9 hereof, and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations.

3. The Corporation shall have the right to charge reasonable admission and other fees for the use of any recreation facility situated upon the Community Use Areas.

B. The Corporation hereinafter may grant easements for utility purposes for the benefit of the Subdivision and the Lots now or hereafter located thereon, over, under, along and through the Community Use Areas.

C. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Community Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

D. Easements and rights-of-way over and upon each Lot for drainage and the installation and maintenance of utilities and services are reserved exclusively to Developer for such purposes as Developer may deem incident and appropriate to its overall development plan, such easements and rights-of-way being shown or noted on the aforesaid recorded plat of the Subdivision, which plat is incorporated by reference and made a part hereof for a more particular description of such easements and rights-of-way. The easements and rights-of-way areas reserved by Developer on each Lot pursuant hereto shall be maintained continuously by the

Owner but no structures, plantings or other material shall be placed or permitted to remain upon such areas or other activities undertaken thereon which may damage or interfere with the installation or maintenance of utilities or other services, or which may retard, obstruct or reverse the flow of water or which may damage or interfere with established slope ratios or create erosion problems. Improvements within such areas also shall be maintained by the respective Owner except those for which a public authority or utility company is responsible.

E. The rights of the use of utility and service easements and rights-of-way areas as provided and defined herein for any type of cable transmission system is reserved exclusively to Developer, and no other cable transmissions service company or organization shall be permitted to service any Lot or combination of Lots except with the expressed permission of Developer.

ARTICLE 12

ARCHITECTURAL STANDARDS AND ARCHITECTURAL STANDARDS COMMITTEE

The Board of Directors shall establish an Architectural Control Committee (hereinafter referred to as the "Committee") which shall be composed of three (3) members. The Board of Directors shall have the right to appoint and remove, at any time and without cause, the three (3) members. The Developer shall have the right to appoint and remove two (2) members of the Committee so long as the Developer continues to own any portion of the Development Area. At such time as the Developer no longer owns any portion of Development Area, or upon notification by the Developer to the Board of Directors that it does not desire to continue to appoint two (2) members of the Committee, all three (3) members shall be appointed or removed at any time and without cause, by the Board of Directors.

A. No construction, which term shall include within its definition clearing, excavation, grading and other site work, shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the approval of the Committee has been obtained. All grading, land disturbance, or any construction must fully comply with the restrictions set forth for the State Stormwater Permit SW7080931. Section 10 of the permit requires the following deed restrictions:

1. The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit # SW7080705, as issued by the Division of Water Quality under NCAC 2H. 1000.
2. The State of North Carolina is made the beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater Management Permit.
3. These covenants are to run with the land and be binding on all persons and parties claiming under them.
4. The covenants pertaining to stormwater may not be altered or rescinded without the expressed written consent of the State of North Carolina, Division of Water Quality.
5. Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division of Water Quality.
6. The maximum built upon area per lot is (See attached Table) square feet. This allotted amount includes any built upon area constructed within the property line boundaries, and that portion of the right away between the front lot line and the edge of the pavement. Built upon areas includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, and conquina, but does not include open wood decking, or the water surface of swimming pools.

7. Filling or piping of any vegetated conveyances (ditches, swales, etc.) associated with the development, except for average driveway crossings, is strictly prohibited by any persons.
8. Each lot must maintain a 30' vegetated buffer between all impervious surfaces and surface waters.
9. All roof drains shall terminate at least 30' from the mean high water mark.

B. The Committee shall have exclusive jurisdiction over all original construction on any Lot and later changes or additions after initial approval thereof together with any modifications, additions or alterations subsequently to be constructed on any Lot or made to any improvements initially approved. The Committee shall prepare and, on behalf of the Board of Directors, shall promulgate architectural standard guidelines ("guidelines") and application and review procedures ("procedures"). The guidelines and procedures shall be those of the Corporation and the Committee shall have the sole and full authority to prepare and to amend the guidelines and procedures. The Committee shall make the guidelines and procedures available to Owners, builders and developers who seek to engage in the development of or construction upon the Lots and who shall conduct their operations strictly in accordance therewith.

C. The Committee shall have the absolute and exclusive right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions and the guidelines; if the design, color scheme or location upon the Lot or Lots of the proposed improvements are not in harmony with the general surroundings or adjacent structures; if the plans or specifications submitted are incomplete; or in the event the Committee deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to this Declaration or the Owners thereof. The Committee may refuse approval of plans upon purely aesthetic considerations, which in its sole discretion shall appear warranted to protect the beauty and harmony of the subdivision and each and every Lot Owner or prospective Lot Owner within the development takes notice and is bound by these covenants, subject to the power of an amendment reserved in these covenants.

D. The Committee shall approve or disapprove plans, specifications and details submitted in accordance with its procedures within ten (10) days from the receipt thereof and the decisions of the Committee shall be final and not subject to appeal or review. Provided, however, that plans, specifications and details revised in accordance with Committee recommendations may be resubmitted for determination by the Committee. In the event that the Committee fails to approve or disapprove plans, specifications and details within ten (10) days after submission of the same to the Committee, approval for the purposes of this Article, shall be deemed to have been given by the Committee.

E. The Committee, or its agent, shall have the right to inspect all construction to ensure that it is performed in strict accordance with the approved plans, specifications and details. Upon completion of the construction in accordance with the approved plans, specifications and details, the Committee shall issue a certificate of completion to the Owner.

F. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his residence or permitted pertinent structures, or to paint the interior of the same any color desired.

G. Neither the Developer nor the Committee nor the Board of Directors or any architecture agent thereof shall be responsible in any way for any defects in plans, specifications or details submitted, revised or approved in accordance with the provisions

contained herein or in the guidelines, nor for any structural or other defect in any construction.

H. The requirements of this Article shall not constitute a lien or encumbrance on any Lot on which construction is completed, and any subsequent purchaser thereof for value without notice thereof is in no way affected by the failure of his predecessors in title to comply with the terms hereof. The requirements of this Article shall not apply to the Developer with regard to original erection or construction of a dwelling on a Lot.

ARTICLE 13

RESTRICTIONS ON USE AND OCCUPANCY

A. Use Restriction. No Lot in community area shall be used except for single family residential purposes. No Lot shall be used for purposes of agriculture, aquaculture, or any other commercial activity.

B. Structure Type. No structure shall be erected, placed or permitted to remain on less than a numbered Lot other than one (1) detached, single family residence dwelling, including a private enclosed garage for the sole use of the Lot Owner or occupant with space for not more than three (3) automobiles and a second story for guests and/or servants quarters which garage shall not be rented separately for remuneration and/or a private storage building for the sole use of the Lot Owner or occupant, so long as said private garage and/or private storage building is approved by the Committee and completed with the same exterior materials and appearance as the single family residence situated thereon. Unenclosed carports, not attached to the principal dwelling, or similar storage structures, shall not be erected, placed or permitted to remain on any Lot.

C. Structure size. Any dwelling constructed on a Lot subject to these Restrictions must conform to the following minimum standards:

(1) No dwelling shall be constructed containing less than (1500) square feet of fully enclosed and heated floor area devoted to living purposes and inclusive of covered porches and garages (exclusive of unroofed porches or terraces).

(2) No more than (400) square feet of a finished room over garage ("*FROG*") shall be allowed in computing total square footage of heated floor living area within a private single family residence.

(3) No dwelling or structure shall be more than two stories high, and any such two-story structure shall have a ground floor of at least (800) square feet of fully enclosed and heated floor area devoted to living purposes (exclusive of roofed or unroofed porches, terraces, and garages).

(4) The construction of any dwelling, driveway, pool, patio or any other construction which creates an impervious surface covering upon the Lot subject to these Restrictions may not exceed the area of impervious surface covering allowed upon the surface of a Lot pursuant to rules and regulations established by the North Carolina Department of Natural and Economic Resources, Division of Environmental Management. This covenant is intended to

ensure continued compliance with storm water runoff rules adopted by the State of North Carolina and may be enforced by the State of North Carolina. This covenant may not be changed or deleted without the consent of the State.

D. Setback Restrictions. No above-grade structure (except approved fences or walls) may be constructed or placed on any Lot except within the minimum building setback lines as set forth herein. Above ground pools are permissible with the approval of the Architectural Review Committee. Any of such pools must be constructed such that they are not visible from the street and an architectural rendering must be submitted for review to the review committee as part of the request. No building shall be erected or maintained on any such Lot closer than the setback lines set forth herein, to wit:

Setback from front Lot line: 35 feet

Setback from rear Lot line: 15 feet

For the purpose of this covenant, eaves, steps and open porches shall be considered as a part of a building. In addition, no unattached storage building or garage (each of which shall be considered a building) shall be constructed or permitted on any Lot nearer the street than the rear line of the main dwelling house situated on the Lot. As to corner Lots within the subdivision, the front line shall be considered the line facing the front door of the house placed on said Lot.

The term "Lot front line" defines the boundary line of the Lot that is contiguous to and bounded by the named street as shown on the recorded subdivision plat.

The term "Lot rear line" defines the boundary line of the Lot that is farthest from, and substantially parallel to, the line of the street on which the Lot abuts.

The term "Lot side line" defines a boundary line that extends from the street on which the Lot abuts to the rear line of the Lot.

E. Septic Systems. _____

F. The following general prohibitions and requirements shall apply and control the improvement, maintenance and use of all Lots:

1. No mobile home, trailer, camper, tent, or temporary house, temporary garage or other temporary outbuilding shall be placed or erected on any Lot, provided, however, that the Committee may grant permission for temporary structures for storage of materials during construction. No such temporary structures as may be approved shall be used at any time as a residence.

2. Once construction of a dwelling or other improvements is started on any Lot, the improvements must be substantially completed in accordance with the approved plans and specifications within twelve (12) months from commencement.

3. During construction of improvements on any Lot, adequate portable sanitary toilets must be provided for the construction crew and the Lot must be cleaned of excess debris at least once a week.

4. All dwellings and permitted structures erected or placed on any Lot shall be constructed of material of good grade, quality and appearance, and all construction shall be performed in good workmanship manner and quality. The exterior and roof coverings of all dwellings and permitted structures shall be approved by the Committee. The requirements of the Committee shall control all improvements to any Lot as is therein specified.

5. Except structures erected by the Developer, no structure erected upon any Lot may be used as a model exhibit or house unless prior written permission to do so shall have been obtained from the Committee.

6. All Lots, whether occupied or unoccupied, shall be well maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted.

7. No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any Lot or other area in the subdivision.

8. Any dwelling or improvement on any Lot which is destroyed in whole or in part by fire or other casualty must be rebuilt or all debris removed and the Lot restored to a sightly condition with reasonable promptness, provided, however, that in no event shall such debris remain on such Lot longer than three (3) months.

9. No stripped, partially wrecked, or junked motor vehicle, or part thereof, shall be permitted to be parked or kept on any Lot. All motor vehicles of any type kept on any Lot shall have current registration and inspection certificates.

10. No vehicle of any type shall be parked or left unattended overnight on any street in the subdivision. No mobile home, motor home, trailer, camper, or similar vehicle shall be parked or kept overnight or longer, on any Lot, in such a manner as to be visible to the occupants of other Lots or the users of any street or recreation area. Trailerable boats are allowed to be parked or kept on Lots but no boat in excess of 24 feet shall be allowed to be parked on a Lot and all boats parked or kept on Lots shall be upon the trailer used to transport said boat.

11. All fuel storage tanks shall be buried below the surface of the ground and all outdoor receptacles for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept as not to be visible to the occupants of other Lots or the users of any street or recreation area.

12. All outdoor poles, clotheslines and similar equipment shall not be placed on any Lot unless approved by the Committee.

13. All recreational equipment and personal property other than automobiles or bicycles must be stored neatly and in such a manner as not to be visible from any street.

14. No sign (excluding typical "For Sale" and builder identification signs or similar signs not larger than 18" x 24"), billboard or other advertising structure of any kind may be erected or maintained upon any Lot; provided, however, that construction

identification signs approved by the Committee showing the Lot number and name of the builder may be exhibited upon the Lot during the period of construction.

15. No radio station or short wave operator of any kind shall operate from any Lot or residence without the prior written approval of the Committee. No radio or television antenna or satellite dish may be installed upon any Lot unless first approved in writing by the Committee. Any antenna or satellite dish permitted by the Committee must be attached to the rear of the dwelling and may not be placed forward of the rear line of the dwelling.

16. All dwelling connections for all utilities including but not limited to water, electricity, gas, telephone and television shall be run underground from the proper connecting points to the dwelling structure in such manner as may be acceptable to the appropriate utility authority.

17. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets in a reasonable number, not to exceed three (3), may be kept provided they are not kept, bred or maintained for any commercial purpose, and provided, further, that such pets do not constitute a danger or nuisance to other Lot Owners or to the neighborhood.

18. The erection of fences shall require approval of the Committee as provided in Article 11 hereof. No fence of chain link type construction or in excess of four feet in height shall be approved by the Committee, except that the Committee, in its sole discretion, may approve fences of chain link construction and up to six feet in height for the purpose of confining pets provided same does not extend more than twenty-five (25) feet in any direction and are constructed within the minimum building setback lines.

19. No noxious, offensive or illegal trade or activity shall be carried on upon any Lot nor shall anything be done on any Lot that shall be or become an unreasonable annoyance or nuisance to other Lot Owners or the neighborhood.

20. No above-ground swimming pool, permanent or otherwise, which stands more than two feet in height shall be permitted on any lot. Plans including landscaping and fencing for in-ground pool construction must be approved in writing by Declarant (or the Committee if formed) prior to the commencement of construction of same.

21. No Owner of any lot in the subdivision shall permit the riding of two, three or four wheeled motorized vehicles, motorcycles or go-carts over a vacant Lot in Laurel Woods Estates or over the Community Use Areas or Streets of the subdivision, nor shall any such Owner permit the creation of a trail or tract on which said two, three or four-wheeled motorized vehicles, motorcycles or go-carts shall be operated.

25. All lots shall be crowned such that the grade at the dwelling location is in accordance with the approved construction plans and must maintain full compliance with the State Stormwater Permit SW7080931.

G. Easements. Easements are reserved by Declarant along and within Thirty five feet of all front lot lines, and within ten feet of all side and rear lot lines (except as to waterfront Lots, in which no easements along rear lot lines are reserved) for the construction and perpetual maintenance of conduits, poles, wires and fixtures for electricity, telephone service, water mains, sanitary and storm sewers, road drains and other public and quasi-public utilities,

and for the trimming of any trees which may at any time interfere or threaten to interfere with the maintenance of such lines, with right of ingress, egress and regress from and across said premises to duly authorized maintenance personnel.

ARTICLE 14

AMENITIES AND FACILITIES

Every park, recreation area, recreation facility, dedicated access and other amenities appurtenant to the Subdivision, whether or not shown and delineated on any recorded plat of the Subdivision, shall be considered private and for the sole and exclusive use of the Owners of Lots within the Subdivision. Neither Developer's execution nor the recording of any plat nor any other act of Developer with respect to such areas is, or is intended to be, or shall be construed as a dedication to the public of any such areas, facilities or amenities.

ARTICLE 15

WAIVER

No provision contained in these Restrictions, the Articles or the By-Laws shall be deemed to have been waived, abandoned, or abrogated by reason of failure to enforce them on the part of any Person as to the same or similar future violations, no matter how often the failure to enforce is repeated.

ARTICLE 16

VARIANCES

The Board of Directors in its discretion may allow reasonable variances and adjustments of these Restrictions in order to alleviate practical difficulties and hardship in their enforcement and operation. Any such variances shall not violate the spirit or the intent of this document to create a Subdivision of Lots owned in fee by various Persons with each such Owner having an easement upon areas owned by the Corporation.

To be effective, a variance hereunder shall be recorded in the Currituck County Register of Deeds Office, shall be executed on behalf of the Corporation, and shall refer specifically to this Declaration.

ARTICLE 17

DURATION, AMENDMENT AND TERMINATION

A. The Covenants and Restrictions contained in this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time, they shall automatically be extended for successive periods of one (1) year. This Declaration may be amended in full or part during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners provided, that no amendment shall alter any obligation to pay Community Expenses to benefit the Community Use Areas, as herein provided or affect any lien for the payment of same. To be effective any amendment must be recorded in the office of the Register of Deeds of Currituck County, North Carolina, and a marginal entry of same must be signified on the face of this document.

B. 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 18

CAPTIONS

The captions preceding the various Articles of these Restrictions are for the convenience of reference only, and shall not be used as an aid in interpretation or construction of these Restrictions. As used herein, the singular includes the plural and where there is more than one

Owner of a Lot, said Owners are jointly and severally liable for the obligations herein imposed.

Throughout this Declaration, references to the masculine shall be deemed to include the feminine, the feminine to include the masculine, and the neuter to include the masculine and feminine.

ARTICLE 19

LIBERAL CONSTRUCTION

The provisions of this Declaration shall be construed liberally to effectuate its purpose of creating a Subdivision of fee simple Ownership of Lots and buildings governed and controlled by rules, regulations, restrictions, covenants, conditions, reservation and easements administered by an Owners' Association with each Owner entitled to and burdened with the rights and easements equivalent to those of other Owners.

IN TESTIMONY WHEREOF, Hugh Samuel Miller IV, has caused this instrument to be executed this 26th day of August, 2012.6

LAUREL WOODS ESTATES,

By: [Signature] (SEAL)
President



Denise E Lewis
Expires 9/15/18

STATE OF NORTH CAROLINA
COUNTY OF CURRITUCK

I, DENISE E. LEWIS, the undersigned Notary Public of the County of CURRITUCK and State aforesaid, certify that HUGH SAMUEL MILLER, IV personally came before me this day and acknowledged that he is the MANAGER of LAUREL WOODS ESTATES NC, LLC, a North Carolina Limited Liability Company, and that by authority duly given and as the act of such entity, he signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this 26th day of August, 2016.

My Commission Expires: 9-15-18
(Affix Seal)

Denise E Lewis
DENISE E. LEWIS, Notary Public



**ATTACHMENT TO RESTRICTIVE COVENANTS
OF LAUREL WOODS ESTATES**

**LAUREL WOODS ESTATES NC HOMEOWNERS ASSOCIATION, INC.
ARCHITECTURAL GUIDELINES**

I. Purpose

- A. To promote an understanding of land use and architecture based upon traditional styles appropriate to the unique waterfront environment.
- B. To outline the procedure by which individual Owners may obtain approval to construct houses on Lots in Laurel Woods Estates.
- C. To define the basic requirements governing the construction of houses and the aesthetic and environmental considerations affecting the placement of houses on individual Lots.
- D. To maintain the quality of the community.

II. Submission Procedures

The Owner shall submit one copy of the elevation drawings, floor plans, and specifications for each project to the Architectural Control Committee (hereinafter the "Committee"). Submission requirements apply to existing houses (for addition or change) as well as to new structures. Response will be withheld if assessment due Corporation is delinquent.

When the Committee finds that the plans conform to the Architectural Guidelines, a Letter of Approval will be given for the proposed work and the submitted plans returned to the Owner.

- A. Duration and Inspection. All projects must receive written approval from the chairman before application is made for a CAMA permit and a county building permit. Approval for a project may be valid for 18 months. Extensions may be given at the discretion of the committee.
- B. Final Inspection. A final inspection of the completed project may be made by a Committee member or other agent of the chairman to see that everything has been done in accordance with the Owner's full submission.

C. Enforcement. Failure to observe the Committee's recommendations will result in the matter being referred to the Laurel Woods Estates NC Homeowners Association, Inc., Board of Directors for appropriate legal action in accordance with terms of the Declaration of Restrictive Covenants of Laurel Woods Estates.

III. Design Guidelines

A. Construction Materials and Exterior Finishes. All construction materials must be new, except wood flooring, interior paneling and brick. The exterior finish or materials of each house must be approved by the Committee. Only the following types of exterior finishes or materials will be approved:

1. Wood
2. Brick
3. Stone
4. Vinyl
5. Stucco

B. Roofs.

1. Architect type shingles or their equivalent shall be required on all roofs.
2. No dwelling shall be constructed with a roof containing less than a 6/12 pitch and less than four separate roof planes.

C. Driveways. Each Lot upon which a dwelling has been constructed must contain a driveway thereon. The placement, construction, and composition of any and all driveways must be approved in writing by the Committee prior to the commencement of construction of same. No driveway shall be constructed or maintained on any Lot in such a manner as to obstruct normal drainage of the street on which said Lot fronts, and to that end, such driveway shall have an apron of appropriate design. Any culvert or pipe used in the installation and construction of a driveway must be installed in a manner which meets applicable State specifications for culverts or bridges. All driveways must be composed of either concrete, brick, or like material. Stone, asphalt, pebble, gravel, or blacktop driveways are prohibited.

D. Signs. The only permanent signs permitted are to display ONLY the name of the Owner or house (with a maximum size of four square feet), and a small house number to be specified by the developer. No commercial signs are permitted, except a temporary "For Sale" or "For Rent" sign (with a maximum size of 18" x 24").

E. Garbage Racks. Garbage racks should be compatible with the exterior of the house, and located within the Lot boundary near driveway.

IV. Construction

It shall be the responsibility of each Owner to insure that the contractor or builder and all subcontractors obey and observe the Restrictive Covenants of the subdivision. It shall be the responsibility of the Owner to insure the removal of trash, signs, animal control, noise, and damage to other Lots.

V. Enforceability

The Committee will refer any Owner violation of these guidelines to the Corporation Board of Directors, only after exhausting all attempts to reach an equitable solution to a disagreement. In the event the Committee deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to the Declaration of Restrictive Covenants or Laurel Woods Estates or the Owner thereof, the Committee may refuse approval of plans upon purely aesthetic considerations, which in its sole discretion shall appear warranted to protect the beauty and harmony of the subdivision and each and every Lot Owner or prospective Lot Owner within the development takes notice and is bound by this provision, subject to the power of an amendment reserved in the covenants. The Corporation Board is legally empowered to file suit against any Owner who does not comply after reasonable notice. Furthermore, the board may also so choose to impose a fine, at their sole discretion, up to \$100 per day for outstanding violations that are not corrected. This can only be implemented once the following has been achieved:

1. At least (3) Attempts made to contact Via US Mail, Email, Phone, and at least one registered mailing.
2. Disregard for any previous notice or mailing of noncompliance of Association Bylaws & Rules.
3. Majority support from the Committee to send final notice and fine amount.
4. One final notice must be mailed, registered US Mail, noting the daily fine amount and giving at least (10) days from receipt of the mailing to comply prior to any fines starting to accrue.

Once the above (4) steps are completed and the (10) day notification period has passed any agreed upon fine within the allowable daily limit can begin being levied. Upon such time that the fines reach a "Sizable" amount, at such time a lien may be filed for upon the property of the noncompliant resident.

Details for filing a lien are listed in "Article 9" above in these covenants.