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NEW HANOVER COUNTY, NC

TAMMY THEUSCH PIVER

REGISTER OF DEEDS

NC FEE \$42.00

**NORTH CAROLINA
NEW HANOVER COUNTY**

PLEASE NOTE: "THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF THE FLAG OF UNITED STATES OF AMERICA OR STATE OF NORTH CAROLINA. THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS".

**DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND
EASEMENTS OF SUNSET REACH**

This Declaration of Covenants, Conditions, Restrictions and Easements of SUNSET REACH is entered into this the 24th day of October, 2022 by Hoosier Daddy, LLC a North Carolina limited liability company, hereinafter "Declarant".

WITNESSETH:

WHEREAS, the Declarant is the Owner of certain real property located in New Hanover County, North Carolina, which is more particularly described on the plats entitled Sunset Reach Phase 1 and recorded in Map Book 72 Page 143-144 of the New Hanover County Registry and made a part hereof by reference (hereinafter "the Property"); and;

AND WHEREAS, Declarant will convey the said Property subject to certain protective covenants, conditions, restrictions, reservations, and liens as hereinafter set forth;

AND WHEREAS, Declarant desires to develop said Property as a planned community, which MAY include amenities, and may contain single family homes or townhomes, or any combination of the foregoing. This statement of intention in no way obligates Declarant to construct any of the foregoing as Declarant retains full control and may change development plans at its sole discretion.

NOW, THEREFORE, Declarant hereby declares that all of the Property above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which shall run with the land and be binding on all parties having any right, title,

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or interest in the described Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof.

ARTICLE 1
Definitions

Section 1. "Approved Builder" shall mean and apply to any Owner of a Lot who is in the business of building and constructing residential dwellings, whose main purpose for acquiring the Lot is to build a residence upon it, and who has been designated by Declarant as an "Approved Builder".

Section 2. "Association" shall mean and refer to Sunset Reach Property Owners Association, Inc. its successors and assigns, which shall be a master association for the Property. Sub-associations may be created separately or within the master association for different types of residential structures with different maintenance responsibilities and obligations.

Section 3. "Common Area" shall mean and refer to those areas of land, including any recreational facilities to be constructed thereon, if any, shown on the Subdivision plat of the Properties. This shall include any property on the Subdivision plat referred to as open space, private drainage easements, drainage and pedestrian access easements as well as any easements for the benefit of all owners as shown on the Subdivision plat. The private roadways and amenities thereon, including access gates and common parking shall also be Common Area.

Section 4. "Common Expenses" shall mean and refer to those expenses collected from the Members which are designated by the Board of Directors to be used to carry out the maintenance and insurance obligations of the Association, as established by this Declaration or in the discretion of the Board of Directors.

Section 5. "Declarant" shall mean and refer to Hoosier Daddy, LLC and any of its transferees and assigns, provided that no such assignment of Declarants rights may be assigned unless in writing and filed in the Office of the Register of Deeds of New Hanover County.

Section 6. "Declarant Control Period" shall mean any period of Declarant Control of the Association as provided in this Declaration or in the Bylaws of the Association (whether by vote allocation whereby the Declarant has sufficient voting power to control the Association or whether the Declarant has the power to appoint the majority of the members of the Board of Directors of the Association), or Declarant Control Period may terminate upon surrender of the same by Declarant.

Section 7. "Developer" shall mean River Road Construction, LLC, its successors, assigns.

Section 8. "Development", "Project" and "Community" shall all mean and refer to the Subdivision to be developed and constructed by the Declarant. "Lots" shall mean and refer to any plot of land with such improvements as may be erected thereon intended and subdivided for single family home construction and use, as shown on the Subdivision Plat, but shall not include the Common Areas as herein defined.

Section 9. "Limited Common Area" will mean and refer to those portions of the Common Area set aside for the exclusive use of some, but not all, Owners of Lots, including, but not limited to any real or personal property designated for use by specified Owners of Lots.

Section 10. "Limited Common Expenses" will mean and refer to Common Expenses of the Association attributable to Limited Common Areas for the exclusive use and benefit of some but not all Owners of Lots and incurred by the Association pursuant to the terms and conditions hereof. Limited Common Expenses attributable to a Limited Common Area will be payable pro-rata by the Owners with exclusive use and benefit thereof as a Specific Assessment.

Section 11. "Member" shall mean and refer to all those Owners who are members of the Association, as provided in Article II, Section 1 hereof.

Section 12. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to heirs, successors and assigns of any Owner.

Section 13. "Plans", "Specifications", "Elevations", "Exterior Designs", and such like terms shall refer to and encompass the Plans, Specifications, Elevations, and Designs as well as setbacks, locations, etc., approved by the Declarant.

Section 14. "Properties" or "Subdivision" shall mean and refer to that certain real property hereinbefore described and more particularly shown on described on the plats entitled Sunset Reach Phase 1 and recorded in Map Book ~~7a~~ ^{7a} Page ~~143-148~~ of the New Hanover County Registry of the New Hanover County Registry, and such additions thereto as may hereafter be brought within the jurisdiction of the Association or subject to this Declaration.

ARTICLE II

Annexation and Planned Unit Development

Section 1. Declarant herein retains the right to annex additional property into the Subdivision. This annexed property may be used for multifamily units. No approval of the Association shall be required for such action, provided such action shall occur within ten (10) years of the date that the Declarant Control period ends.

Section 2. Declarant herein retains the right to create a Planned Unit Development at a later date which Subdivision shall automatically join. Declarant may add to or rezone property in Subdivision or the aforementioned Planned Unit Development. No further action on the part of Declarant or Association shall be required, and no approval of Association shall be required to do so, provided such action shall occur within ten (10) years of the date that the Declarant Control Period ends.

Section 3. Declarant herein retains the right to alter the Master Plan (whether it be recorded or not) for any reason. Including, but not limited to, the expansion of Subdivision and/or the creation of the Planned Unit Development.

ARTICLE III

Membership and Voting Rights in the Association

Section 1. Membership. Every person or entity who is an Owner of any Lot is subjected by the Declaration to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessments.

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

1. Class A. Class A Members shall be all Owners except the Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, the vote attributable to such Lot shall be exercised as such persons mutually determine, but in no event shall more than one vote be cast with respect to any such Lot.
2. Class B. The sole Class B Member shall be the Declarant. The Class B Member shall be entitled to four votes for each Lot in which it holds the interest required for membership under this Article. The Class B

membership shall cease and become converted to Class A membership upon the sale of the last Lot owned by Declarant.

ARTICLE IV
Property Rights in the Common Areas

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 of this Article every Member shall have a non-exclusive right and easement of enjoyment in and to the Common Areas, such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Areas. The Declarant hereby covenants for itself, its successors and assigns, that on or before twelve (12) months from the date the last Lot in Sunset Reach is conveyed to an Owner, it will convey to the Association, by limited warranty deed, fee simple title to the Common Areas, subject however, to all liens and encumbrances of record and to the following covenants, which shall be deemed to run with the land and shall be binding upon the Association, its successors and assigns.

In order to preserve and enhance the property values and amenities of the community, the Common Areas and all facilities now or hereafter built or installed thereon shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards, by the Association. The maintenance and repair of the Common Areas shall include, but not be limited to, the repair of damage to pavements, roadways, walkways, outdoor lighting, buildings, if any, recreational equipment, if any, fences, irrigation and pumps, fountains, storm drains and sewer and water lines, connections and appurtenances, all of which shall be Common Expenses.

This Section shall not be amended so as to eliminate or substantially impair the obligation for the maintenance and repair of the Common Areas.

Section 3. Extent of Members' Easements. The rights and easements created hereby shall be subject to the following:

- (a) The right of the Declarant, and of the Association, to dedicate, transfer or convey all or any part of the Common Areas, with or without consideration to any successor association, government body, district, agency or authority, or to any utility company, provided that no such dedication, transfer or conveyance shall exclude the use of the Common Areas by the Members of the Association;
- (b) The right of the Declarant and of the Association, to grant and reserve easements and right-of-way through, under, over and across the Common Areas, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, fuel oil and other utilities and services, including a cable(CATV) or community antenna television system, internet services, and irrigation or lawn sprinkler systems, and the right of the Declarant to grant and reserve easements and rights-of-way through, over and upon and across the Common Areas for the completion of the Development, including the sale and development of properties adjacent to the Subdivision, whether or not made subject to the provisions hereof, and for the operation and maintenance of the Common Areas as well as public walking trails, if any;
- (c) The right of visitors, invitees, etc., to ingress and egress in and over those portions of the Common Areas that lie within the private roadways, parking lots and/or driveways (and over any other necessary portion of the Common Areas in the case of landlocked adjacent Owners) to the nearest public highway;
- (d) The right of the Association, as provided herein and in its by-laws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid. Provided, however, that the right of a Member to ingress and egress over the roads and/or parking areas shall not be suspended;

- (e) The right of the Association, as provided herein and its by-laws, to suspend the enjoyment rights of any Member for any infraction of its published rules and regulations. Provided, however, that the right of a Member to ingress and egress over the roads and/or parking areas shall not be suspended;
- (f) The rights of the Association, in accordance with law, and its Articles of Incorporation and by-laws, to borrow money for the purpose of improving the Common Areas and in pursuance thereof to mortgage the same.

Section 4. Delegation of Rights. Any owner may delegate, in accordance with the by-laws of the Association, his right of enjoyment to the Common Areas and facilities to his employees, tenants, invitees or licensees.

Section 5. Additional Structures. Neither the Association, nor any Owner or any group of Owners shall, without the prior written approval of Declarant, erect, construct or otherwise locate any structure or other improvement in the Common Areas.

Section 6. Alterations of Common Areas. While Common Area remains in control of the Declarant, Declarant retains the right to alter common areas as necessary for any reason, including, but not limited to, the expansion of Subdivision and/or the creation of the Planned Unit Development.

Section 7. Easement to CFPUA and/or assigns, and other utility providers. Declarant, for the use and benefit of the Lot Owners, has granted an easement to Cape Fear Public Utility Authority ("CFPUA") over the Common Area to construct, operate and maintain a lift station to provide utility service to the Lots, which will be deeded per the CFPUA guidelines. Declarant also reserve the right to grant to CFPUA and its subcontractors easements over the private roads of the Association to access the lift station and water/sewer lines in the Subdivision. Declarant, for the use and benefit of the Lot Owners, has also granted easements to AT&T, Duke Energy, Spectrum cable and Piedmont Natural Gas, and any of their subcontractors easements over the private roads of the Association to install, access and repair their respective utility lines to provide utility service to the Lots.

Section 8. Easement for Emergency Vehicles and School Busses. Access through the gated entrance and private streets is hereby granted to emergency vehicles, including public safety, police and fire protection and school busses.

ARTICLE V

Right of Association to Alter, Improve, Maintain and Repair Common Areas and Drainage Areas

The Association shall have the right to make or cause to be made such alterations, modifications, improvements, repairs, maintenance and replacements to the Common Areas and the stormwater control facilities and features, including drainage area(s), and the cost thereof shall be assessed as Common Expenses and collected from the Lot Owners on an equal basis.

ARTICLE VI

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot (excluding Declarant owned lots) by acceptance of a deed therefore, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay the Association; (1) annual assessments or charges for the maintenance of the Common Areas, including such reasonable reserves as the Association may deem necessary, (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, and (3) specific assessments as hereinafter provided. The annual, special, and specific assessments, together with interest, costs of collection, including reasonable administrative and collection fees incurred by the Association, and reasonable attorney's fees incurred, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together

with such costs described above, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties (and their respective families, guests, tenants and invitees) and for the improvement, protection, replacement and maintenance of the Common Areas, the gate controlling the entrance to the Subdivision, Common Expenses, and for the provisions of various forms of insurance for the Association, its property, members, directors, officers, employees, and agents.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$1500.00 per Lot and shall be adjusted annually by the Board of Directors to increase as additional amenity and area improvements occur and/or are added to the Subdivision.

- (a) From and after January 1 of the year immediately following the period after Class A Membership ends, the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year by the Board of Directors without a vote of the membership.
- (b) From and after January 1 of the year immediately following the period after Class A Membership ends, the maximum annual assessment may be increased above the 10% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 4. Declarant Contribution. During Declarant Control Period, Declarant, its successors or assigns, may advance all expenses for the maintenance and operation of the Common Area to the extent that annual assessments paid by the Owners are inadequate for this purpose. Such advance may be monetary or in kind. Such advance may be to the Association on terms generally available to Declarant from its lending institution, or upon such terms as Declarant may determine, providing such terms are reasonable to both the Declarant and the Association. After Declarant Control Period ends, it shall have no further obligation for maintenance and operation of the Common Area pursuant to the terms of this section.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any special unexpected expense, including the construction, reconstruction, repair or replacement of a capital improvement, to include a possible clubhouse and other amenities to be named later, upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Notice and Quorum for Any Action Under Section 3 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 5 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast twenty percent (20%) of all the votes of each class of membership shall constitute a quorum. If 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 60 days following the preceding meeting.

Section 7. Specific Assessments: In addition to the regular annual Assessments and the special Assessments for capital improvements described above, the Association may levy, from time to time, on a particular Lot, specific Assessments immediately due and payable, consisting of any fines assessed by the Association for an Owner's violations of the terms and conditions of this Declaration, or any liquidated damages or summary charges imposed under authority contained herein or in the Bylaws, together with costs, fees and expenses (including reasonable attorney's fees) incurred by the Association incidental to the enforcement of any rules and regulations, or the

collection of Assessments (both annual and special) or the collection of damages or charges arising under this Declaration or the Bylaws, all of the forgoing of which shall comprise Specific Assessments.

Section 8. Rate of Assessment. Annual and special assessments may be collected on a monthly, quarterly or annual basis, to be determined by the Board of Directors and must be collected at a uniform rate with respect to all similarly situated Lots. Annual and special assessments for Owners of unimproved Lots may be fixed at one-half the rate of Owners of Improved Lots.

Section 9. Date of Commencement of Annual Assessments- Due Dates. The annual assessments for Lots provided hereinafter shall commence as to any Lots on the first day of the month following the conveyance thereof by the Declarant. If that conveyance is to an Approved Builder, then at the sole discretion of Declarant, the Approved Builder may not be required to pay assessments for six (6) months following such conveyance. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates of any assessment shall be established by the Board of Directors and the Board may determine to impose such fees on an annual, quarterly or monthly basis. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 10. Capital Contribution. The first Owner of a Lot transferred from Declarant, including Approved Builders, shall pay an initial capital contribution to the Association in the amount of three hundred dollars (\$300). This is not a pre-payment of annual assessments but is a one-time fee to be used for working capital for the Association.

Section 11. Effect of Nonpayment of Assessments- Remedies of the Association. Any assessment not paid within thirty (30) days after the date may bear interest from the due date and/or a late fee permitted by Chapter 47F as may be imposed by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property (as in the foreclosure of a mortgage), or both. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot. Non-payment for any period of thirty (30) days or more may result in the loss of rights to any recreational amenities within the common area until such payment is made in full including all interest and late payment penalties.

Section 12. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any foreclosure of a deed of trust, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relive such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VII

Architectural Control

Section 1. Buildings, Fences, Walls, Etc. No building, fence, wall or other structure may be constructed or altered, and no change in topography, landscaping, mass planting, or any other item shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing as to the harmony of the external design and location in relation to the surrounding structures and topography by the Declarant. Provided, however, that upon the Declarant's selling of all the Lots in the Subdivision, this right of approval shall be transferred to an Architectural Review Committee of the Association. Such Architectural Review Committee shall be comprised of not less than three (3) representatives to be appointed by the Board of Directors of the Association. Declarant may transfer its rights of approval under this Declaration prior

to its selling all of the Lots in the Development if it so chooses. In the event the Declarant or the Architectural Review Committee fails to approve or disapprove any request within thirty (30) days after complete written plans and specifications have been submitted to it, the same shall be deemed approved, and this Article shall be deemed to have been fully complied with, provided, however, that no such failure to act shall be deemed an approval of any matters specifically prohibited by any other provision of this Declaration. Refusal of approval of plans, specifications and plot plans or any of them may be based on any grounds, including purely aesthetic grounds, which in the sole and uncontrolled discretion of the Declarant or the Architectural Review Committee may deem sufficient. There may be a fee paid for the review of such plans if decision involves an engineer for impervious decision, which shall be specified by the Declarant or Board at time of submission. Fees incurred by the Association in the conduct of any such review, including but not limited to professional fees, may be assessed to the applicant Owner in the nature of a Specific Assessment. Any change in exterior appearance of any building, wall, fence or other structural improvements and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval. The transfer of control shall not be mandatory on the part of the Declarant if the Declarant has brought another phase under the terms of this Declaration on before the time of the last Lot in the other phase or phases has been sold. Any non-compliance with this section may result in a lien on the non-complaint party's property for any penalties assessed by the Architectural Review Committee plus any attorney's fees incurred by the Homeowners Association.

Section 2. Right of Inspection. Declarant, its agents or assigns, or a member of the Architectural Review Committee shall have the right, at its election, to enter upon any of the Lots in the Subdivision during preparation, construction, erection, or installation of any improvements to determine that such work is being performed in conformity with the approved plans and specification, such work shall immediately cease upon verbal or written notice by Declarant for approval and no work shall commence until such approval is expressly made in writing by Declarant or the Architectural Review Committee.

Section 3. Erosion Control Measures and Impervious Surface Drainage. All Lots must be graded in accordance with County and State specifications and Declarant's approval to meet all applicable erosion control and impervious surface drainage standards. Declarant maintains the right of re-entry on all lots during construction for the purpose of determining if standards are being met. Failure to comply with standards, failure of which shall be determined by Declarant, shall result in the ability of Declarant to immediately halt construction, and at their sole discretion, complete the work and charge back to homeowner all cost associated with this action, as well as any fines. These fees shall be in the nature of a Specific Assessment. These fees must be paid prior to any recommencement placed with Declarant insuring compliances with this section prior to commencement of construction on all Lots.

ARTICLE VIII

Restrictions Upon Use of Lots and Structures

Section 1. Garages, Sheds and Outbuildings. Detached garages and up to one outbuilding or shed per Lot may be permitted, but must be approved by the Declarant in writing before installation or alteration. **All detached garages, sheds or outbuildings must be constructed with substantially the same material and with the same colors as the house on said Lot.** No pre-fabricated outbuildings shall be permitted within the Subdivision.

Section 2. Subdivision of Lot - Easements and Encroachments. No Lot shall be subdivided without the approval of Declarant or the Association and no building or residence, including porches or projections of any kind, shall be erected so as to extend over or across any of the building lines as hereinafter established.

Section 3. Combining Lots. Lots may not be combined without Declarant approval. If Lots are combined, Owner shall continue to pay assessments for each of the originally platted Lots.

Section 4. Alteration of Building Lines in the Best Interest of Development. Where because of size, natural terrain, or any other reason in the sole opinion of the Declarant, it should be to the best interest of the Development of this Subdivision that the building lines of any Lot be altered or changed, the Declarant reserves

unto itself, its successors and assigns, and no other, the right to change said lines to meet such conditions. The Declarant specifically reserves the right to transfer and assign this right of change of building lines to the Architectural Review Committee hereinafter established.

Section 5. Residential Use of Lots, Rental Restrictions. All Lots shall be used for single family detached or attached and multifamily detached or attached residential use. No structures, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any Lot other than one (1) single family or multifamily residence constructed in accordance with the Plans and Specifications, provided, however, that nothing contained herein shall be construed to prevent the Declarant from maintaining one of more model homes and/or sales offices in the Subdivision for the purpose of selling property in the Subdivision. Lots may be rented for a minimum of a consecutive twelve-month term, on a form approved by the Association. The entire Lot must be rented, and no subleasing is permitted. If a Lot is rented, the Owner forfeits his rights to the Common Area during the rental term. Upon request by the Association, Owner shall provide a copy of the lease within seven (7) days of the request.

Section 6. Maintenance of Lots. It shall be the responsibility of each Lot Owner to prevent the Development of any unclean, unsightly, or unkempt condition of building or grounds on such Lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific areas. Every Owner shall maintain the structures and ground on each Lot at all times in a neat and attractive manner. Upon the Owner's failure to do so, the Association may, at its option after giving the Owner ten (10) days written notice sent to his last known address, or to the address of the subject premises, have the grass, weeds, shrubs and vegetation cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed from Lot and replaced, and may have any portion of the Lot re-sodded or landscaped, and all expenses of the Association under this Section, plus the a service charge of thirty percent (30%) of such costs, shall be a Specific Assessment against the Lot on which the work was done and the personal obligation of the then Owner of such Lot. The Association is hereby granted a perpetual easement across each Lot for the purposes of carrying out its responsibilities under this Section.

Section 7. Nuisances. No noxious or offensive activity, including but not limited to offensive odors or loud noises, shall be carried on upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or a nuisance to the neighborhood. No trash, leaves or rubbish may be burned on any Lot or within the Development nor shall there be maintained any plants, poultry, animals (other than three total household pets consisting of any combination of dogs or cats) or device or thing of any sort, the normal activities or existence of which is in any way noxious, dangerous, unsightly, unpleasant or of a nature as many diminish or destroy the enjoyment of other property in the neighborhood by the Owners thereof.

Section 8. Exclusion of Above Ground Utilities. All electrical and telephone service shall be placed underground and no outside electrical lines shall be placed overhead. Provided, however, that the normal service pedestals, etc., used in conjunction with such underground utilities shall be permitted within the subdivision. Overhead utilities shall be permitted during the construction period and until utility companies can place them underground.

Section 9. Solar Panels, Satellites and Antenna. No exterior antennas, receiving dish or similar apparatus of any kind for receiving or transmitting radio or video signals shall be placed, allowed, or maintained upon any Lot, unless approved in accordance with the Board or the Architectural Review Committee; provided, however, that no approval shall be necessary to install an antennae designed to receive direct broadcast satellite services, including direct-to-home satellite services, or other than via satellite, provided that they are one meter or less in diameter and installed on the back of the dwelling or on a short pole in the back yard, screened from view of neighboring lots. Owners shall install any permitted antennae at the rear of the dwelling or so as not to be seen from the street. If a reasonable signal cannot be obtained at such location, then such antennae may be placed in other locations with proper screening and as may be approved by the Board or the Architectural Review Committee.

If an Owner of a Lot desires to install solar panels, solar collectors, or the like (collectively referred to herein as "Solar Panels"), which gather solar radiation as a substitute for traditional energy for water

heating, active space heating and cooling, passive heating or generating electricity on Owner's Lot, then Owner shall submit a request to the ARC in accordance with this Declaration.

i) No Solar Panel shall be installed that is visible by a person on the ground: (A) on the façade of a Dwelling Unit or Structure that faces areas open to common or public access; (B) on a roof surface that slopes downward toward the same areas open to common or public access that the façade of the dwelling unit or Structure faces; or (C) within the area set off by a line running across the façade of the dwelling unit or Structure extending to the Lot boundaries on either side of the façade, and those areas of common or public access faced by the dwelling unit or structure. For purposes of this subsection, the "façade" of a structure shall refer to any side of a dwelling unit or structure which faces an area open to common or public access and shall not necessarily be limited to the front façade.

ii) Except to the extent that compliance with this subsection ii) would prevent the reasonable use of Solar Panels in any permitted location on the dwelling unit or structure, any Solar Panels not otherwise prohibited under subsection i), and all plumbing, supports, and other components therefore, must be: (D) located as inconspicuously as possible; and (E) screened or colored so as to appear to be an integral and harmonious part of the architectural design of the dwelling unit or structure, using materials, color, and manner of screening specified by or otherwise approved by the ARC.

iii) In the event the ARC approves Owner's request for Solar Panels, Owner shall: (X) be responsible to obtain any and all permits and approvals from the applicable municipality for installation and use; (Y) be responsible to ensure the installation or maintenance of the Solar Panels does not block, alter, or impede drainage (Owner shall immediately rectify such blockage, alteration, or impediment of drainage in accordance with the State Stormwater Management Permit); and (Z) keep Solar Panels properly secured, clean, and in good working order at all times.

As changes occur with federal, state, and local laws or ordinances this section will work within those guidelines.

Section 10. Prohibition Against Business Activity and "Time-Sharing" Use. No business activity, including but not limited to, a rooming house, boarding house, gift shop, antique shop, in-home daycare, professional office or beauty shop or the like or any trade of any kind whatsoever shall be carried on upon a Lot or Lots. Provided, however, that nothing contained herein shall be construed so as to prohibit the construction of houses to be sold on said Lots or the showing of said houses for the purpose of selling houses in the Subdivision. Nothing herein shall be construed to prevent the Declarant or its agents from erecting, place or maintaining signs, structures and offices as it may deem necessary for its operation and sales in the Subdivision. No Lot or structure shall be "Time-shared" or rented on a weekly or daily basis, nor shall any Lot or structure be owned, or operated so as to constitute such Lot or structure as a "time-sharing" unit within the meaning of such statutory provisions. This section does not restrict a home office so long as no customers or clients make in-person business visits to the Lot, no business deliveries or shipments are made to or from the Lot and no in-person business meetings are conducted at the Lot.

Section 11. Mining and Drilling. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, placed or permitted upon any part of the premises, nor shall any oil, natural gas, petroleum, asphalt, or hydrocarbon products or materials of any kind be produced or extracted from the premises.

Section 12. Garbage Disposal. Each Lot Owner shall provide a roll-out garbage containers from the approved garbage disposal company which shall be visible from the streets only on the evening before and on garbage pick-up days. Except when permitted to be visible from the streets, garbage containers shall be screened in a manner and with materials approved by the Architectural Review Committee. The Declarant or Association will contract with a garbage disposal company for all Lot owners as to reduce the number of trucks and or multiple days that could occur when multiple garbage companies are used. No garbage or trash incinerator shall be permitted upon

the premises. No burning, burying or other disposal of garbage on any Lot or Lots within the Subdivision or Development shall be permitted. Provided, however, that Owner shall be permitted to modify the requirements of this Section where necessary to comply with orders of governing bodies. This excludes the Declarant or subcontract for the Declarant from burning in phases being developed and where declarant or Declarant subcontractor has been issued a burning permit by the local authorities. Owners must apply in writing for approval from Declarant or the Architectural Review Committee for the use of dumpsters, staging or access to any Lot for construction purposes. Unauthorized use of dumpsters shall result in fines and liens.

Section 13. Easement for Utilities. The Declarant reserves unto itself, its successors and assigns a perpetual alienable easement, as shown on the recorded plat of the Subdivision, right of ingress and egress over, upon, across and under each Lot and Common Areas for the erection, maintenance, installation and use of electrical and telephone wires, cables, conduits, sewers, water or other public convenience or utilities, including an easement for privately owned television and other communications cable and equipment, and the Declarant may further cut drain ways for surface water when such action may appear to the Declarant to be necessary in order to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any grading of soil or to take any other similar action reasonably necessary to provide an economical and safe utility or other installation and to maintain reasonable standards of health, safety and appearance. It further reserves the right to locate wells, pumping stations, and tanks within residential areas on any walkway, or any residential Lot designated for use on the applicable plat of the residential Subdivision, or to locate same upon an adjacent Lot with permission of the Owner of such adjacent Lot. Such rights may be exercised by the license of the Declarant but this reservation shall not be considered an obligation of the Declarant to provide or maintain any such utility service. No structures, including walls, fences, paving or planting shall be erected upon any part of the property which will interfere with the rights of ingress and egress provided for in this paragraph. Provided, however, that such easements and rights, shall be restricted to the roads, streets, alleys and easements as shown and designated on the applicable plat or plans of the Development, or as otherwise designated by Declarant.

Section 14. Temporary Structures. No structure of a temporary character shall be placed upon any Lot any time, provided, however, that this prohibition shall not apply to shelters used by the contractor during construction of the main dwelling house, its being clearly understood that the latter temporary shelters may not, at any time, be used for residence or permitted to remain on the Lot after completion of construction. No shack, tent, barn, bus-body, or junked vehicle, shall be placed on any Lot any time either temporarily or permanently. (Tree houses must be approved through the Declarant or Architectural Review Committee.)

Section 15. Propane Tanks, Storage Receptacles. Any fuel tanks, propane tanks or similar storage receptacles must be screened with the same materials as the dwelling unit and approved by the Architectural Review Committee or buried underground. The Lot must be properly landscaped. Neither Declarant nor Developer, their agents or assigns shall be held liable in any manner for any defects in the tank, site preparation, use or otherwise.

Section 16. Re-platting of Lots. No Lot's boundary lines shall be changed, except as herein provided. However, the Declarant hereby expressly reserves to itself, its successors and assigns the right to replat any two or more Lots owned by the Declarant shown on the plat of said Subdivision prior to delivery of the deed therefor in order to create a modified building Lot or Lots. The restrictions and covenants herein apply to each such building Lot so created or recreated.

Section 17. Clotheslines, Playground, Exercise Equipment, Trampolines. No clothesline or drying yards, playground equipment or exercise equipment, including basketball goals or trampolines, shall be located on any Lot without the prior written approval of Declarant.

Section 18. Water Systems. No individual water supply system shall be permitted upon the premises within the exception of a shallow well to be used for irrigation purposes only, which shallow well shall be approved in writing in all respects, including the pump and the covering or screen thereof by the Declarant, its successors or assigns, prior to installation. Declarant retains the right to erect and maintain said wells on Lots and Common Areas.

Declarant shall abandon any of the said wells per North Carolina code rules if said well impedes lot owner from construction or from receiving a certificate of occupancy on said Lot.

Section 19. Off Street Parking. Adequate off-street parking shall be provided by the Lot Owner herein for the parking of automobiles or other vehicles owned by the Owner and the Owner agrees, on behalf of his occupants, guests, tenants and invitees, not to park his automobile or other vehicles, including golf carts, on the streets or Common Areas to the Subdivision. No travel trailers, campers or other habitable motor vehicles of any kind, whether self-propelled or not, school buses, commercial trucks, or commercial vehicles (including vehicles used for advertising), or boat trailers or boats shall be kept, stored or parked overnight, either on any Common Area, specifically including streets, or any Lot, except completely within enclosed approved garages. The Architectural Review Committee must approve any commercial vehicle, boat, boat trailer or camper to be housed on the property, outside of the garage. In the event Declarant provides an on-site boat, trailer and/or recreational vehicle storage area, then boats, trailers and/or recreational vehicles intended to be stored in that area shall be prohibited on a Lot without express Architectural Review Committee approval. All vehicles, boats and trailers permitted on a Lot must be maintained in good repair and licensed.

Section 20. Exclusion of Street Curbs and Sidewalks. All streets within the Subdivision are to be paved. Some areas may have sidewalks installed by the Declarant, Association or builder. Certain Lots require sidewalks as part of Architectural Review Committee approval. No additional sidewalk may be constructed without prior written approval of the Declarant or the Association.

Section 21. Nothing in this Declaration shall be construed to prohibit the Association from constructing, operating and maintaining a facility for use as its office and headquarters, for the benefit of the Association and its Members.

Section 22. Once construction of improvements is started on any Lot, the improvements must be substantially completed within nine (9) months from commencement. Fines may be imposed if this Section is violated. Storage buildings, fencing, and screens need to be completed prior to issuance of the certificate of occupancy.

Section 23. All structures constructed or placed on any Lot shall be built of substantially new material and no used structures shall be relocated or placed on any such Lot.

Section 24. No animals or livestock of any description, except two dogs and two cats, shall be kept on any Lot. No pet shall be allowed which shall produce any noise or odor objectionable to any other Owner, nor shall any pet be allowed on any Common Area unless under the direct control of an Owner. No Owner shall breed or maintain pets on the Lots for commercial purposes. All dogs and cats must be kept on a leash or within yard fences when outdoors. The Board may adopt reasonable rules and regulations regarding the restraint of dangerous or aggressive dogs and dangerous or aggressive dog breeds, including the prohibition thereof upon the property. Pet waste must be removed by owner or keeper of the pet immediately. Lot Owners where pets are kept may be fined by Declarant or Association if the pet owners or keepers do not remove pet waste immediately. All local government ordinances regarding pet clean-up or removal of pet waste, and leash requirements also apply in the Subdivision.

Section 25. No stripped, partially wrecked, or junk motor vehicles or part thereof, shall be permitted to be parked or kept on any street or Lot. All vehicles kept in the development must be currently registered and licensed with the appropriate state authority. Vehicles may not be left on devices to lift the vehicles in the air on their Lot unless someone is physically working on the vehicle. If someone is not present at the vehicle working on it, the vehicle must be lowered and lift devices removed and stored out of view.

Section 26. No trash, ashes, garbage, building supplies, or other refuse shall be stored, accumulated or permitted to remain on any Lot for a period of more than fifteen (15) days.

Section 27. All drainage ditches outlining the perimeter of the property shall be properly maintained by the Owner. In the case of any Lot along which such a drainage ditch/swale or conveyance is located in part or whole, no building, structure, garden or any improvement shall be built within six (6) inches from the drainage easement. Any activity that impedes the designed stormwater conveyances shall be prohibited. Where an easement exists, no building, fence, shrubs, trees, or plants (besides grass) can be installed unless the Architectural Review Committee has provided a written exception. All fences shall be elevated off the ground at a minimum of 3" to allow stormwater to flow under the fence.

Section 28. Fences must receive prior approval from the Declarant or Architectural Review Committee and must be completed prior to issuance of a certificate of occupancy (CO). Fences must be installed from the mid-point of the home to the rear property line along the side property lines (but may not be installed in any easements) and must be approved by the Declarant or Architectural Review Committee prior to installation. Declarant and/or the Architectural Review Committee reserve the right to mandate a uniform fence style, size, color, material and design. In no event shall any chain-link or cyclone fence be permitted.

Section 29. All Owners' driveways and parking spaces must be paved with concrete or asphalt, as approved by Declarant or the Architectural Review Committee, and each two-car garage must have a paved driveway at least 16 by 20 feet and each single-car garage must have a paved driveway at least 8 by 20 feet.

Section 30. All gardens must be well kept and properly cultivated so as not to be unsightly. All vegetable gardens must be in the rear of the property.

Section 31. There shall be no access to any Lot on the perimeter of the Subdivision except from designated roads within the Subdivision.

Section 32. Each Lot Owner shall provide a paved area for the parking of at least two (2) automobiles off the street prior to occupancy of any dwelling constructed on said Lot. The paved parking area must be at least 25 feet long, unless specifically approved by the Architectural Review Committee.

Section 33. Without the approval of Declarant or the Architectural Review Committee, no tree which exceeds four inches (4") in diameter and ten feet (10') in height or any tree installed as part of an Approved Builder landscaping package shall be cut, removed or intentionally damaged on any Lot or Common Area, even if such tree interferes with the construction or safe maintenance of improvements on such Lot or Common Area or unless such tree is diseased or dead. The Owner of any Lot upon which a violation of this restriction occurs agrees to promptly (within 30 days after notice) replace such tree with a tree of comparable size and species.

Section 34. Without Declarant's written consent being first obtained, only the following materials may be used in the exterior construction of residences in the Subdivision:

- (a) Cedar, fir, pine, redwood, spruce, weathered wood, standard vinyl siding, stucco or brick veneer, unless approved by Declarant or ARC. Foundations must be built of brick, stone, stucco, concrete, or block. (Block foundations must be painted.) All foundation specifications must meet with county approval.
- (b) For the roofs of residences in the Subdivision, all roofing materials must be approved by the Architectural Review Committee.
- (c) No material may be left unpainted or unpreserved. All colors must be approved by the Declarant or Architectural Review Committee.

Section 35. Signs, including all political signs, are prohibited on any Lot with the following exceptions:

- (a) Signs used by the Declarant, Developer or Approved Builder to advertise during the construction and sales period, which must not exceed thirty-two (32) square feet.

- (b) Address numerals or letters not to exceed six (6") inches in height.

Provided however, that nothing herein shall prevent the Declarant or Developer from creating and maintaining sales and marketing signs in Common Areas.

Section 36. No property owner or individual shall alter in any way any common property or Common Area (except with the written permission of the Association provided that such activity is required for the benefit of the Association or the Subdivision as a whole or an exception to the same has been granted).

Section 37. Pools, spas, jacuzzis, and hot tubs may be allowed on individual Lots with approval of the Declarant or Architectural Review Committee. In no event at any time may any above ground pools be placed on Lots.

Section 38. Approved Builders. Any company or individual building a home in the Subdivision must be an Approved Builder or have the approval of the Declarant or Developer.

Section 39. No use of any non-street-legal motorcycles, mini-bikes, "go-karts", or all-terrain vehicles (ATV's) shall be permitted in the Subdivision at any time.

Section 40. No commercial vehicles shall be parked on any Lot (except as may be kept completely within in an enclosed garage), or street or parking area within the Property or upon any Common Area without approval from the Declarant or Architectural Review Committee. This shall not be constructed so as to exclude commercial vehicles engaged in the course of business from parking in the Subdivision on a temporary basis. The Declarant or Board may make reasonable rules and regulations regarding the definition of a commercial vehicle.

Section 41. Use of Recreational Amenities. All rules for use of any recreational amenities shall be adhered to. Violation of said rules may result in loss of access for a reasonable period of time, in fines or liens against the Owner's Lot. Such loss of access shall not result in reduction of annual assessments.

Section 42. In addition to these restrictions, the Declarant or Board of Directors of the Association shall have the power to formulate, amend, publish and enforce other reasonable rules and regulations concerning the use and enjoyment of the Lots and of the Common Area.

Section 43. All builders must landscape the front, back and side yards. Landscaping to include grass and shrubs in front yard, back yard and side yard and one tree in front yard. Approved fence screen for items such as trash receptacles and air conditioning units must be installed at each residence prior to certificates of occupancy.

Section 44. Outdoor fire pits and fireplaces are not permitted in the front yard of any Lot. Outdoor fire pits and fireplaces must be placed or constructed at least 15 feet from the side and rear lines of the Lot and must be approved by the Architectural Review Committee.

Section 45. Flags, including all political signs and advocacy of social justice issues, are prohibited on any Lot with the following exception:

- (a) One official flag of the United States or North Carolina, of a size no great than three by five feet may be displayed on any Lot from a flag pole affixed to the exterior of the dwelling unit below the facial. No flag poles are permitted to be constructed on any Lot.
- (b) No other political or decorative flags are permitted on any Lot.

Section 46. No Lot which has frontage on the river may construct a private pier or dock from their Lot. An easement to all riparian rights is herein reserved to Declarant in order to create a community docking facility, which may be created in the discretion of the Declarant.

Section 47. No Lot which has frontage on the river may in any way construct or maintain any drain pipe or grading on the Lot which will allow for water runoff to discharge directly into the Cape Fear River. All drains must feed into the on-site retention ponds. For Lots that require an individual stormwater system to be installed on a particular Lot, the Owner must apply to Declarant for approval of such system, which must be installed by the Owner prior to issuance of a certificate of occupancy (CO). Maintenance of such system is the responsibility of the Lot Owner.

Section 48. No mailboxes are allowed on individual Lots.

Section 49. Requirement to install natural gas appliances. Each dwelling unit constructed in the Subdivision shall have at least two appliances installed which require natural gas: a stove and tankless water heater. Owners may have additional natural gas appliances installed.

ARTICLE IX

Restrictions Upon Use and Size of Structures

Section 1. All lots, except those reserved by the Declarant or designated as a Common Area, shall be used for single family residential detached or attached or multifamily purposes only, not to exceed three and one-half stories in height above ground level, excluding basements as ground level. No mobile and/or prefabricated homes shall be placed upon said Lots. No structure shall be erected, placed or permitted to remain on any single family detached Lot other than one single family detached residence dwelling.

Section 2. The minimum living area square footage of a residential dwelling on Lots 8-22 is 2,600, and Lots 23-38 is 2,000. (Exclusive of roofed or unroofed porches, decks, terraces, garages, carports and unfinished attic space).

Section 3. Yard setbacks shall be governed by the New Hanover County Unified Development Ordinance. The Declarant shall have the authority to approve variances if necessary and allowed by New Hanover County. In all circumstances the Declarant and/or the Architectural Review Committee shall approve all new construction plot plans and the improvements located thereon.

Section 4. Each Lot will have a maximum built upon surface area in accordance with governmental restrictions. The Declarant shall allow Lot Owners and builders to make application to modify the impervious areas allowed per lot by transferring the same within the State Stormwater guidelines and regulations. Any modification to the allocation of built upon area shall not require an Association approval if the allocation is agreed upon by the Lot Owners desiring to reallocate built upon area between Lots they own. The maximum amount of impervious surface for each Lot shall be as established by local governmental regulations and approval and is 4,000 square feet.

The setbacks for each Lot shall be as set forth in this Declaration if any but shall in no event be constructed to be less restrictive than local governmental regulations unless granted approval by same.

ARTICLE X

Declarant Powers

In addition to the other powers reserved to the Declarant in the Amended and Restated Articles of Incorporation and in other Articles of this Declaration, the Declarant reserves unto itself, and its successors and assigns:

- (a) The inalienable right to establish additional easements upon any Lot or Lots within the Subdivision for access to and use of any utilities, for the purpose of completing development of the Subdivision, including additional phases or sections.
- (b) Easements on, across and over the Common Area as shall be reasonably necessary for (i) the exercise by Declarant of any right herein reserved, including, without limitation, Declarant's right, should Declarant elect, to annex additional property and (ii) the development by Declarant, its successors and assigns, of additional property, should Declarant elect not to annex the additional property, including without limitation, easements for ingress, egress and regress over private roads and streets now or hereafter constructed in the Subdivision and easements for the use of all utility lines, fixtures and/or their connections located within the Common Areas for the purpose of providing water, light, power, telephone, sewage and sanitary service to the additional properties.
- (c) Easements on, over and under any berms and the entrance area, to erect, maintain and use suitable equipment to erect and maintain the berms and entrance. Such rights shall not create any obligation on the part of the Declarant or Developer to provide or maintain such berms or entrance.
- (d) All riparian rights associated with all riverfront Lots for the purposes of constructing and maintaining a dock system that shall be in the riparian corridor directly in front of some or all of these Lots.

ARTICLE XI

General Provisions

Section 1. Enforcement. The Association, or any Owner, or the Declarant, shall have the right to enforce by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, Bylaws, or reasonable rules and regulations adopted by the Board of Directors. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Costs, including reasonable attorney fees, shall be awarded to the prevailing party in any action or proceeding to enforce the provisions of the governing documents.

Section 2. Fines and Loss of Privileges. If any Owner, or his occupants, guests, tenants, or licensees, is in default of any of the provisions of this Declaration, Bylaws, or rules and regulations of the Association, including but not limited to payment of assessments, the Board may fine the Owner for such violation, or may revoke the Owner's privileges to use the amenities of the Association. The Board shall provide notice to the Owner and opportunity to be heard prior to the imposition of such fines or privileges.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no way affect other provisions which shall remain in full force and effect.

Section 4. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, through January of the year 2040, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by a vote of not less than sixty-seven (67%) of the Lot Owners. The Board of Directors shall certify that any such Amendment has received that requisite vote percentage and that the voting procedures as provided in the Bylaws were duly exercised. Any Amendment to this Declaration must have the consent of Declarant for so long as Declarant owns any Lot in the Subdivision. No such Amendment shall be effective until recorded in the office of the Register of Deeds of New Hanover County. The Declarant shall have the right to unilaterally amend this Declaration so long as it owns a Lot, provided that such amendment shall not materially affect the substantive rights of any Lot Owner. The Declarant shall further have the right to amend the covenants without consent of the members to conform the Declaration to the requirements of any law or governmental agency having legal jurisdiction over the property, including those agencies sponsored by or under the control of the State of North Carolina. A letter from an official of any such agency requesting, requiring or suggesting an amendment necessary to comply with the requirements of such agency, shall be sufficient evidence to affect such an amendment. The amendment shall be effective upon recording.

Section 5. Annexation. Additional residential property and Common Areas may be annexed to the Properties in the absolute and sole discretion of the Declarant until ten (10) years after the expiration of the Declarant Control Period. Additional property may be annexed into the Subdivision by the Association only with the consent of two-thirds (2/3) of each class of members, and with the consent of the Owners of the additional property proposed to be annexed.

Section 6. Streets. Each of the streets in the Subdivision now or hereafter designated on any plat is a private street. Every park, stream, body of water, common area, recreational facility, and other amenity within the Subdivision is a private facility or amenity. The Declarant's recording of any plat or any other act of the Declarant with respect to the Property shall not nor is intended to be construed as a dedication to the public of any said street, park, common area, recreational facility and amenity other than as reflected therein. An easement for the use and enjoyment of each of said streets and areas designated as parks is reserved to the Declarant, its successors and assigns, to the persons who are, from time to time members of the Association; to the members and Owners of any recreational facility; and to the residents, tenants and occupants of any residential buildings and all other kinds of residential structures that may be erected within the boundaries of the Subdivision and any additional property that may be annexed as provided above and to the invitees of all the aforementioned persons; the use of which shall be subject to such rules and regulations as may be prescribed by the Association, if the Association is the Owner of the facility or property involved. The Declarant may at any time dedicate the streets to a public authority if it so desires, or petition a public authority to withdraw public dedication for certain streets which are now public, so that those streets can become private and owned and maintained by the Association. Should any Owner interfere with Declarant or Developer's petition to have public streets become private, or should they in any way obstruct the acquisition of additional streets by the Association, said Owner(s) shall be liable for any and all expenses incurred by Declarant or Developer, its successors and/or assigns, for court costs, attorneys fees, road maintenance expenses, and any other damages caused by such interference and/or obstruction. Furthermore, said Owners, their successors and/or assigns, shall thereafter be fully responsible for contributing to Common Expense to maintain such streets.

Section 7. Enforcement. In the event of a violation or breach of any of these restrictions by any Owner, or agent of such Owner, the Owners of Lots in the Subdivision, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing, the Declarant, its successors and assigns, shall have the right, whenever there shall have been built on any Lot in the Subdivision a structure which is in violation of these restrictions, to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the Owner, if after the thirty (30) days written notice of such violation, it shall not have been corrected by the Owner. The Association is hereby granted a perpetual easement across each Lot for the purposes of carrying out its responsibilities under this Section, and any such entry and abatement or removal shall not be deemed a waiver of the rights to do so hereafter as to the same breach or as to a breach occurring prior of subsequent thereto and shall not bar or affect its enforcement. Should Declarant employ counsel to enforce any of the foregoing covenants, conditions, reservations or restrictions, because of a breach of the same, all costs incurred in such enforcement, including a reasonable fee for Declarant's counsel, shall be paid by the Owner of such Lot or Lots in breach thereof.

Section 8. The Declarant herein shall not in any way or manner be liable or responsible for any violation of these restrictions by any person other than itself.

Section 9. In the event that any of the provisions hereof are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event such term shall be reduced to a period of time which shall not violate the rule against perpetuities or any other law of the state of North Carolina, and such provision shall be fully effective for said reduced period of time.

Section 10. Interpretation. DECLARANT, ITS SUCCESSORS AND/OR ASSIGNS SHALL MAKE ALL FINAL INTERPRETATIONS AS TO THE MEANING AND INTENT OF THESE COVENANTS.

ARTICLE XI.

Stormwater

The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8 061026 MOD, as issued by the Division of Energy, Mineral and Land Resources, (the "Division") under 15A NCAC 2H.1000.

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

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

The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina.

Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division.

The maximum allowable built-upon area per lot is 4000 square feet. This allotted amount includes any built-upon area constructed within the Lot property boundaries, and that portion of the right-of-way between the front Lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina and parking area, but does not include raised, open wood decking, or the water surface of swimming pools.

All runoff on the Lot must drain into the permitted system. This may be accomplished by providing roof drain gutters which drain into the collection system, or by grading the Lot to drain into the collection system, or by grading perimeter swales and directing them into the collection system.

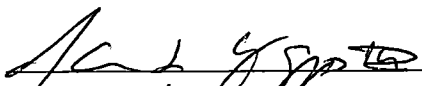
The construction of built-upon area in excess of the permitted amount will require a permit modification.

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

IN TESTIMONY WHEREOF, Declarant has caused this Declaration to be signed in its corporate name by its manager pursuant to their authority as of the day and year first above written.

Hoosier Daddy, LLC

A North Carolina limited liability company

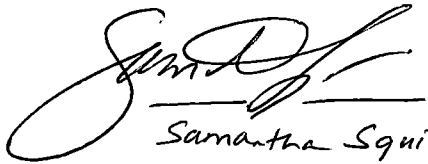
By: 
JAMES L. YOPP III, Manager

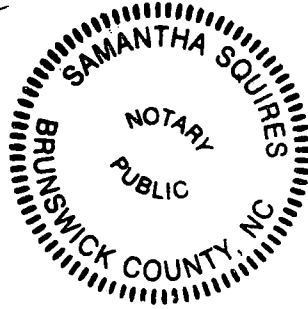
State of North Carolina

County of Brunswick

I, the undersigned Notary Public of the County and State aforesaid, certify that James L. Yapp III personally came before me this day and acknowledged that he is the Manager of Hoosier Daddy, LLC, and that by authority duly given and as the act of such entity, he attested the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this 24th day of October, 2022.

My Commission Expires: June 2, 2025


Samantha Squires



TAMMY THEUSCH
PIVER
Register of Deeds

New Hanover County

Register of Deeds

320 CHESTNUT ST SUITE 102 • WILMINGTON, NORTH CAROLINA 28401
Telephone 910-798-4530 • Fax 910-798-7716



State of North Carolina, County of NEW HANOVER
Filed For Registration: 10/25/2022 02:27:02 PM
Book: RB 6602 Page: 2122-2141
20 PGS \$42.00
Real Property \$42.00
Recorder: STEPHANIE PEREZ
Document No: 2022037309

DO NOT REMOVE!

This certification sheet is a vital part of your recorded document. Please retain with original document and submit when re-recording.