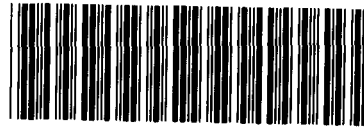


FOR REGISTRATION REGISTER OF DEEDS
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August 19, 2021 04:17:28 PM
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STATE OF NORTH CAROLINA
COUNTY OF MOORE

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
SHEPHERDS WATCH

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (“Declaration”) is made as this 18 day of August, 2021 by JOHN DANIEL BUTLER, Trustee of the JOHN DANIEL BUTLER REVOCABLE TRUST DATED DECEMBER 14, 2012, and CAROL HORKY BUTLER, Trustee of the CAROL HORKY BUTLER REVOCABLE TRUST DATED DECEMBER 14, 2012 (“Declarant”).

WITNESSETH:

WHEREAS, Declarant is the owner of a parcel of real property containing approximately 51 acres of unimproved residential real property situated in or near the Town of Southern Pines, Sandhills Township, Moore County, North Carolina (“Property”), more particularly shown on a plat of the Property recorded in Plat Cabinet 19, Slide 68, Moore County Register of Deeds (“Plat”); and

WHEREAS, Declarant desires to form a development of lots within the Property, which lots are more particularly shown on the Plat (“Lots”), said development to be known as “Shepherds Watch;” and

WHEREAS, Declarant desires to provide for the preservation of the values of Lots within the Property, and therefore desires to subject the Property to the covenants, restrictions, easements, charges and liens described in this Declaration, all for the benefit of the Property and each owner of any Lot within the Property; and

WHEREAS, in order to fulfill the foregoing desires, Declarant has deemed to be appropriate to enter into this Declaration;

NOW, THEREFORE, Declarant hereby declares that all of the Property as shown on the Plat shall be held, transferred, sold, conveyed, occupied and used subject to the following

easements, restrictions, covenants and conditions, all of which shall run with the Property and be binding on, and inure to the benefit of, all parties having any right, title or interest in the Property or any part thereof, and the heirs, successors and assigns of all of the foregoing parties.

ARTICLE I DEFINITIONS

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

Section 1.1 “Declarant” shall mean and refer to John Daniel Butler, Trustee of the John Daniel Butler Revocable Trust dated December 14, 2012, and Carol Horky Butler, Trustee of the Carol Horky Butler Revocable Trust dated December 14, 2012, and their successors and/or assigns.

Section 1.2 “Declaration” shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Shepherds Watch, as it may be amended from time to time.

Section 1.3 “Equestrian/Pedestrian Easement” and “Equestrian/Pedestrian/Vehicular Easement” (the latter easement also being known as “Pixie Moss Trail”) shall mean and refer to such easements that are identified accordingly on the plat, to be used for those stated purposes.

Section 1.4 “Governing Documents” shall mean and refer to this Declaration and the rules and regulations governing the use of the Property, as the foregoing may be amended and supplemented from time to time, and all attachments and exhibits thereto.

Section 1.5 “Lot” shall mean and refer to any numbered plot of land appearing on the Plat.

Section 1.6 “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot (as defined herein) which is a part of the Property, but excluding those parties who have such interest merely as security for the performance of an obligation.

Section 1.7 “Property” shall mean and refer to the real property shown on the Plat or such other land that the Declarant chooses to add to the property at its sole discretion and absolute right.

ARTICLE II MAINTENANCE OF PIXIE MOSS TRAIL AND ENTRANCEWAY

Section 2.1 Responsibility. Notwithstanding the limited vehicular access easements as set forth in this Declaration, the financial responsibility for the repair and maintenance of the entranceway to Shepherds Watch, and for the repair and maintenance of Pixie Moss Trail, shall be shared equally among all Lots and specifically including Lot 1, it being Declarant’s intent that the Owner of Lot 1 shall have full use of and access to said entranceway and to Pixie Moss Trail

for pedestrian and equestrian use as though Pixie Moss Trail ran within Lot 1 as it runs within the other Lots.

Section 2.2 Condition. The entranceway to Shepherds Watch shall be maintained by the Lot Owners in a condition similar to other similarly-situated developments in the locality. Pixie Moss Trail shall be maintained as a “crush and run” road, suitable for vehicular, pedestrian and equestrian use, with maintenance to include, without limitation, grading, scraping and filling, as necessary, in the sole discretion of the Lot Owners. If, however, if any damage to the entranceway or to Pixie Moss Trail is solely attributable to overburdening, misuse or abuse by a Lot Owner or its employees, agents or invitees, then that Lot Owner shall promptly restore Pixie Moss Trail to its previously existing condition and bear all costs of so doing.

Section 2.3 Determination of Necessity of Repair. Any Lot Owner shall have the right to enforce the repairs and/or maintenance by sending to all other Lot Owners by registered or certified mail, return receipt requested, or by personal delivery, or by email with proof of receipt, written notice of all proposed repairs and/or maintenance. The determination of the extent of maintenance will be by majority of the number of votes. For purposes of this section, and for all other purposes under any and all other sections of this Declaration, each Lot owned by Declarant shall have three (3) votes, and each other Lot shall have one (1) vote, notwithstanding any lot recombination. Each vote must be in writing and signed by the Lot Owner. The contracting and performance of work shall be by majority vote. All maintenance and upkeep will be by competitive bid unless a non-competitive price is accepted by majority vote.

Section 2.4 Funds for Repairs. The funds required to perform any work shall be placed in trust by each Lot Owner within ten (10) days after the final determination of need and contracting costs have been determined. If not paid by that time, any Lot Owner may file suit for the same on behalf of all Lot Owners, with the prevailing party in said suit to recover from the other party thereto, in addition to said pro-rata share, interest thereon at eight percent (8%) and court costs and attorney fees.

Section 2.5 Other Funds. By majority vote, the Lot Owners may, at their discretion, establish funds for liability insurance for Pixie Moss Trail and/or the entranceway to Shepherds Watch.

ARTICLE III MAINTENANCE OF PROPERTY

Each Owner of a Lot shall keep the Lot owned by him, and all improvements thereon, in a clean and sanitary condition and in good order and repair. All fixtures and equipment installed within a Lot, shall be maintained and kept in repair by the Owner thereof. If an Owner of any Lot fails to maintain that Lot and the improvements thereon in accordance with this Article III, any Lot Owner shall have the right to enforce this Article III by sending to all other Lot Owners by registered or certified mail, return receipt requested, or by personal delivery, or by email with proof of receipt, written notice of its proposed demands. The final determination will be by majority vote. Each vote must be in writing and signed by the Lot Owner. If the offending Lot Owner does not comply within a reasonable period of time, any Lot Owner may file suit for the

same on behalf of all Lot Owners, with the prevailing party in said suit to recover from the other party thereto, in addition to any damages, interest thereon at eight percent (8%) and court costs and attorney fees.

ARTICLE IV ARCHITECTURAL CONTROL

Section 4.1 Building Restrictions. All buildings and structures must be approved in writing by the Declarant (or, when "Declarant" is used in this Section, by a committee appointed by the Declarant), prior to construction. The Declarant shall have both sole and final authority to approve or disapprove the construction of any home on the Property. It is the desire and the intention of the Declarant to require a minimum limit of the quality and design of the homes to be placed within the Property as described below:

(a) One (1) single-family residence not exceeding two and one-half stories in height, with a minimum of 2,500 square feet of heated floor space, may be constructed on a Lot. In addition to said house, the following may be constructed on said Lot: (i) one (1) detached garage, and (ii) one (1) guest cottage not exceeding one story in height, with a minimum of 2,000 square feet of heated floor space.

(b) Any single-story residence erected on a Lot must have a ground floor area, including finished basements, must have at least 2,500 square feet of heated floor space exclusive of open porches and garages.

(c) Any residence of more than one story erected on a Lot must have at least 1,500 square feet of ground floor area exclusive of open porches and garages and must have at least 2,500 square feet of total heated floor space exclusive of open porches and garages.

(d) No residence, garage or accessory structure shall be located on any lot nearer to any Lot boundary line within the Property than the front and side setback lines as shown on the Plat. Notwithstanding any provision to the contrary in this Declaration or in any other document, the rear setback for any building on any Lot shall be thirty feet (30") from the Equestrian/Pedestrian Easement.

(e) No single wide, double wide, or modular home shall be allowed or permitted on any Lot or any street within the Property.

(f) All homes shall require the written approval of all exterior features including color, material, and design. In addition to this other accents such as lighting and other accent features must be approved in writing by the Declarant.

(g) No home within Shepherds Watch shall have a front load garage. Placement of homes and garage doors on corner lots shall require the written approval of the Declarant. Nonconforming homes and garages may be approved on a case by case basis with the written approval of the Declarant at its sole discretion.

(h) Each house constructed or erected on any Lot within the Property must have: (i) a minimum 6/12 roof pitch. (ii) a roof with at least a six inch (6") overhang, exclusive of gutters; and (iii) an installed walkway from the driveway to the front door of the residence that is constructed with the same material as the driveway. Any variation of this restriction or materials used must be approved in writing by the Declarant.

(i) On a case by case basis, the Declarant may, at its sole discretion, approve a log home within Shepherds Watch. If approval is granted, it shall not only include the structure of the home, but shall also include the placement of said home on the Lot.

(j) All construction, landscaping or other work that has been commenced on any Lot must be continued with reasonable diligence to completion, and no partially completed houses or other improvements shall be permitted to exist on any Lot, except during such reasonable time period as is necessary for completion. Maximum construction duration shall be no longer than twelve (12) consecutive months from the placement of footings to time of owner occupancy, unless approved by the Declarant in writing.

(k) The Declarant shall reserve the right to increase the minimum square footage of homes allowed within Shepherds Watch at its sole discretion. Notwithstanding the foregoing, the Declarant may vary the foregoing dimensions by up to 10% upon the recordation of a written instrument with the Moore County Public Register of Deeds setting forth the permitted variance.

(l) Any owner of two or more contiguous Lots that have been recombined (after approval in writing by the Declarant and by the appropriate governmental authorities) shall, after recordation of a recombination plat and a recombination deed shall be allowed to have, in addition to the structures in Section 4.1(a) above, one barn with turnout sheds and fenced paddocks, subject to approval as set forth in Section 4.2 below. Otherwise, no structures or enclosures of a temporary character (such as a trailer or tent), nor any shack, barn, animal pen, shed or other detached outbuilding shall be constructed or used on any Lot or any other portion of the Property at any time without the prior written approval of the Declarant.

(m) All buildings, structures and enclosures of any type shall be of new construction with new materials and must be approved in writing by the Declarant prior to construction.

Section 4.2 Additions or Improvements No fence, wall or other structure or improvement of any type shall be constructed, erected, maintained on, or removed from, the Property until plans and specifications for such work have been approved by the Declarant. The plans and specifications shall show the nature, kind, shape, height, materials and location of the proposed improvements or alterations. The Declarant shall review and approve the plans as to harmony of external design, color and location in relation to surrounding structures and topography. If the Declarant fails to approve, approve as noted or as qualified, or disapprove such plans and specifications submitted to it in accordance herewith within sixty (60) days, the approval required in this Section 4.2 shall be deemed granted and no further approvals or consent shall be required before the commencement of construction on such improvements; provided, however, that the plans and specifications required to be submitted shall not be deemed to have been received if they contain erroneous data, misstatements, or in any way fail to present accurate or adequate information upon which the Declarant can base a decision. The Owner shall obtain all required permits and inspections for any Additions or Improvements approved and shall provide evidence of the same to the Declarant upon request.

Section 4.3 Alterations. No Owner shall make alterations or exterior modifications to the improvements on his Lot, including but not limited to a change in exterior paint colors, the erection of awnings, the installation of storm doors, storm windows, or window screens, or the decoration of porches or balconies facing the street, without the written approval of the Declarant. The Declarant shall not approve any alterations, decorations or modifications which, as determined by the Declarant in its reasonable judgment, would jeopardize or impair the soundness, safety or appearance of the Property. Further, without the prior written approval of the Declarant, no Owner shall install or use any window treatment (blinds, draperies or the like)

visible from the exterior of his home unless the portion thereof visible from the exterior is one of such neutral colors as may from time to time be approved by the Declarant.

Section 4.4 Antennas. No exterior satellite dish in excess of one (1) meter in diameter may be placed on any Lot without the prior written approval of the Declarant. The location of any exterior television antennas and satellite dishes less than one (1) meter in diameter shall be subject to the reasonable prior approval of the Declarant, taking into account the appropriate standards set forth in the regulations of the Federal Communications Commission. To the extent reasonably practical, the Declarant may require that such antennas or dishes be screened from public view.

Section 4.5 Inspection. The Declarant shall have the right, at its election, to enter upon any Lot during construction, erection, or installation of improvements or alterations to inspect the work being undertaken in order to determine that such work is being performed in conformity with the approved plans and specifications and in a good and workmanlike manner, utilizing approved methods and good quality materials.

Section 4.6 Excavation. No Owner of a Lot, other than the Declarant, shall excavate or extract earth from any Lot for any reason other than repair or maintenance reasons and only with the prior written approval of the Declarant.

Section 4.7 Landscaping. Landscaping of Lots is required. All projects shall provide and maintain landscaping in compliance with the provisions of this Section.

(a) Landscape plans, and plans for the ornamental use of water, including fountains and ponds, shall be submitted to the Declarant for review for compliance with the requirements of this Section. Landscaping shall not be installed until the applicant receives Declarant approval of the final landscape plan. Changes to the approved landscape plans that affect the character or quantity of the plant material are required to be resubmitted for Declarant review and approval before installation.

(b) A landscape concept plan shall be submitted to the Declarant as part of an application for a site plan review. The concept plan shall meet the intent of this Section by exhibiting a design layout that demonstrates the desired landscaping program in terms of function, location, size/scale, theme, and similar attributes. The concept plan shall provide the applicable review authority with a clear understanding of the landscaping program before the preparation of detailed construction landscape and irrigation plans.

(c) The landscaping required for all Lots shall be set forth on Landscaping Standards, promulgated by Declarant and amended by Declarant from time to time at its sole discretion and without notice.

ARTICLE V EASEMENTS

Section 5.1 Equestrian and Pedestrian Easements for Lot Owners. All Lot Owners and their family members and guests shall have full and free easements for access, ingress, egress and regress over and across Pixie Moss Trail and the Equestrian and Pedestrian Easement for equestrian and pedestrian purposes.

Section 5.2 Vehicular Access and Vehicular Easements. The Owners of Lots 1, 2, 8 and 9 shall have vehicular access to each of their respective Lots only from Fort Bragg Road directly to each of their respective Lots. Said Owners shall not use Pixie Moss Trail as a means of vehicular access. The Owners of Lots 3, 4 and 10 shall have full and free vehicular easements to each of their respective lots from the easternmost portion of Pixie Moss Trail, which enters Shepherds Watch between Lots 2 and 10 and ends between Lots 4 and 5. The Owners of Lots 5, 6 and 7 shall have full and free vehicular easements to each of their respective lots from the westernmost portion of Pixie Moss Trail, which enters Shepherds Watch between Lots 8 and 9 and ends between Lots 5 and 4.

Section 5.3 Blanket Easements for Utilities. Declarant, at any time, may grant easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair and replace water lines; pipes; ducts; sewer lines; and water lines; gas mains; telephone and television or cable television wires, cables and equipment; electrical conduits; and wires. Notwithstanding the foregoing, no sewer lines, electrical lines, water lines or other utilities may be installed or relocated on the Property except as initially approved by Declarant or thereafter approved by Declarant.

Section 5.4 Easement for Construction Purposes. Declarant shall have full rights of ingress and egress to and through, over and about the Property during such period of time as Declarant is engaged in any construction or improvement work on or within the Property. Declarant further has an easement for the purpose of the storage of materials, vehicles, tools, and equipment which are being utilized in such construction. No Owner, or his guests or invitees, shall in any way interfere or hamper Declarant, its employees, successors or assigns in connection with such construction. No Owner shall have any claims or cause of action against Declarant for any matter arising out of the exercise or non-exercise of any easement or other right reserved or referred to herein.

Section 5.5 Easement for Fence. Declarant shall have full rights of ingress and egress to and through, over and about the Property as necessary to access and service the fence abutting Fort Bragg Road.

Section 5.6 Right of Access. Every Owner grants a right of access to his Lot to the Declarant and/or any other person authorized by the Declarant for the purpose of making inspection of or for the purpose of correcting any condition originating on his Lot and threatening another Lot.

Section 5.7 Use of Easement Area in General. No Owner shall obstruct the Easements in any way, or use them for other than their intended purposes. No supplies, personal property or trash or refuse of any kind may be placed, kept or stored on the Easements. There shall be no property left in the Easements at any time.

ARTICLE VI USE RESTRICTIONS

Section 6.1 Residential Use Only. Each Owner shall use his Lot for residential purposes only, and shall not permit his Lot to be used in any unlawful manner. To the extent permitted by law, any Owner may use his Lot as a home office, provided that such home office use (a) is ancillary to the residential use, (b) does not generate any additional pedestrian or vehicular traffic to or from his Lot, and (c) does not cause any disturbance of other residents or occupants of the Property. Notwithstanding the foregoing, Declarant shall have the right to use any portion of the Property as a sales office, construction office, storage area, model home, or similar facility in connection with its development of the Property and shall, as long as it owns any lot within the Property or any easements thereon, have the right to use said lot(s) or land for commercial and utility purposes as long as such use is for the general use of the public.

Section 6.2 Care and Maintenance. Each Owner shall (a) keep the exterior of the Lot in a safe, neat and clean condition at all times; (b) permit no unsafe or unsanitary conditions on his Lot; (c) comply with any and all obligations imposed upon Owners by applicable building and housing codes; and (d) not deliberately or negligently destroy, deface, damage or remove any part of any Lot, or knowingly permit any person to do so. Further, the Owners of each of Lots 1, 2, 8, 9 and 10 shall maintain, in its condition as of the date of this Declaration, such portion of the fence abutting Fort Bragg Road that runs within the Lot of each Lot Owner.

Section 6.3 Offensive Activity. No noxious or offensive trade or activity or illegal activity shall be conducted upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to any other Owner, or which may endanger the health or safety of any other Owner of any Lot.

Section 6.4 Noise and Disorderly Conduct. No Owner shall engage in any disorderly conduct on the Property, or cause or allow any disturbance, including, but not limited to, shouting, singing, or playing any musical instruments, radio, stereo, or television, in a manner that unreasonably disturbs any other Owner of any Lot.

Section 6.5 Fire Hazards. No Owner shall make any alterations to his Lot or bring or keep anything that will increase the risk of fire or conflict with fire laws or with the applicable governmental regulations.

Section 6.6 Rubbish. All rubbish, trash, garbage, junk, and other waste shall be kept temporarily in sanitary containers within each Lot, and removed from the Lot at least weekly. All trash containers and other equipment for storage or disposal of such waste shall be kept in a clean, odor free and sanitary condition and shall be located so as to be concealed from public view.

Section 6.7 Wells and Septic Tank. Each lot shall be equipped or connected by easement with an approved sanitary septic tank system located and constructed in accordance with the requirements, standards and recommendations of the Moore County Health Department. Outside privies are expressly forbidden, except during construction. The Declarant reserves the right to

determine water well placement on any Lot so as to assure septic and well placements are available to all Lots. Well placement will be reviewed as part of the initial review.

Section 6.8 Animals. No animals, livestock or poultry of any kind shall be kept, bred or maintained on any Lot except for dogs, cats or other household pets. No more than three (3) dogs shall be allowed per Lot. No pets may be kept or bred for any commercial purposes. No savage or dangerous pets, as determined by the Declarant in its sole discretion, may be kept on the Property. All permitted pets shall be controlled so as not to create a nuisance or unreasonable disturbance (including loud and excessive barking) on the Property. All pets must be housed inside a Lot, and no pet shall be permitted elsewhere on the Property unless carried or leashed by a person that can control the pet. Any dog run or animal pen or shelter must be shielded from view from a neighboring Lot. Pets shall not be permitted to defecate outside of its Owner's Lot, and each Owner shall clean up immediately after its pet if the pet does so. All pets shall be registered or inoculated as required by law. Each Owner shall indemnify and hold all other Lot Owners harmless from any claim or costs, including reasonable attorney's fees, resulting from any action of its pet, and shall repair at its expense any damage to the Property caused by its pet. Notwithstanding the foregoing, an Owner of any Lot that has been recombined in accordance with Section 4.1(l) may, subject to city or county ordinance, be permitted to keep a maximum of three horses on its lot. With the written approval of the Declarant, to be determined on a case by case basis, and subject to city or county ordinance, the maximum number of horses kept on a lot may be increased.

Section 6.9 Concrete Blocks. No building, enclosure or structure of any type shall be erected or maintained on any Lot which has concrete blocks exposed on the exterior thereof.

Section 6.10 Signs. No sign of any kind shall be displayed on any Lot except for sign(s) used to advertise the sale of the property, or approved in writing by the Declarant, except as allowed by state or federal law. The Declarant shall have the power, but not the obligation, to adopt and issue from time to time sign guidelines for proposed signs to be erected on the Property. The foregoing provision shall not, however, act to restrict or prohibit Declarant from erecting and maintaining signs advertising the Property or the Lots.

Section 6.11 Fences. No fence, wall, patio enclosure, hedge, garden or mass planting shall be erected, maintained or permitted upon the Property, other than those expressly approved by the Declarant in accordance with Section 4.2, or those installed by Declarant prior to the initial conveyance of each Lot.

Section 6.12 Clotheslines. No clothesline or clothes drying structure or equipment of any type shall be placed, used or allowed to remain on any Lot without the written permission of the Declarant, which may be revoked at any time, with or without cause.

Section 6.13 Storage Tanks. No storage tanks shall be erected or placed on any Lot above ground unless it is sealed from view with a structure constructed of the same materials of which the residence on the Lot is constructed. All storage tanks must comply with local, state and federal rules and regulations.

Section 6.14 Vehicles. No boats, motor homes, trailers, campers, mobile homes, trucks (except pickup trucks used for personal transportation), commercial trucks of any size, vehicles in excess of twenty five (25) feet in length or motorized vans used for commercial purposes (as distinguished from vans used solely as passenger vehicles), tractors, trailers, dump trucks, vehicles exceeding 12,000 pounds in weight, wrecked vehicles, inoperable vehicles or any vehicle not regularly operated in day to day use shall be driven upon or parked on the Property at any time without the written consent of the Declarant, which may be revoked at any time, with or without cause. Horse trailers shall hereby be approved so long as such trailers comply with all other requirements of these restrictions including but not limited to parking and storage. This approval may be revoked at any time by the Declarant for failure to comply with these covenants including visual problems. All vehicles shall at all times have a current license plate and inspection tag. No significant automobile repair shall be allowed on the Property. The Declarant shall have the right to tow any vehicle in violation of this paragraph at its owner's expense. No unregistered motor vehicles, mopeds, three or four wheel motor bikes, or similar motorized vehicles shall be operated within the Property. No motor homes, travel trailers, horse trailers, construction equipment or any construction materials, other recreational vehicles, school buses, vans, or large trucks may be parked or stored within the Property. Further, the vehicles and trailers and other items listed above may not be stored within 100' of any roads, right of ways, easements or common lot lines.

Section 6.15 Parking. Parking of permitted vehicles shall be on the driveways of Lots. No vehicle shall be parked on an Easement or on any unpaved portion of a Lot. The Declarant shall have the right to tow any vehicle in violation of this paragraph at its owner's expense. Garage doors on Lots shall be kept closed at all times except during times of ingress and egress from the garage.

Section 6.16 Mailboxes and Driveways. All mailboxes, driveways, and driveway pipes shall be installed and constructed in accordance with those standards established by the North Carolina Department of Transportation for secondary residential streets and shall be installed only with the written approval of the Declarant with respect to materials, placing and size.

a. After the construction of a house, the mailbox and newspaper box designated by Declarant shall be erected or maintained on each Lot. No other receptacle shall be permitted without the written consent of the Declarant.

b. Mailbox shall be installed so that the mail box door is six inches (6") from the edge of Pixie Moss Trail, so as to prevent the mail carrier from driving off road during mail delivery.

c. All driveways shall be constructed of concrete. However, driveways longer than 200 feet may be constructed of asphalt with the written approval of the Declarant.

d. In the construction of the driveway, any culvert to be installed to cross any ditch in the Private Easement must be constructed of corrugated metal pipe which diameter must be approved in writing by the Declarant. In no circumstance during the construction of the driveway or placement of the culvert shall anyone cut or remove any matting which has been placed in the ditches. For soil erosion purposes, culverts and pipes shall be placed directly on matting so as to not alter the ditch flow line. If driveway or culvert is installed without the written consent of the Declarant, or installed not in compliance with NCDOT standards, the Declarant shall maintain the right to correct the improvements at the sole cost of the owner of the lot.

Section 6.17 Timber Removal and/or Harvesting. No timber shall be removed and/or harvested from any Lot without the prior written approval of the Declarant. This includes the cutting of any trees which at breast height are over 12' in diameter. For further reference, see Exhibit A.

Section 6.18 Subdivision of Lots. No lot may be subdivided without the prior written consent of the Declarant. Notwithstanding the foregoing, the Declarant shall have the right to subdivide, re-subdivide, or reconfigure or recombine any lot within the Property.

Section 6.19 Rules and Regulations. In addition to the restrictions set forth in this Article VI, reasonable rules and regulations governing the use of the Property may be made and amended from time to time by the Declarant. After the Declarant shall have conveyed its last Lot, any and all rules and regulations made by the Declarant and all amendments thereto shall not be effective unless and until they are approved by a majority vote.

Section 6.20 Enforcement. The Declarant (and, after the Declarant shall have conveyed its last Lot, the Lot Owners) shall have the right to enforce the provisions of this Article VI, including rules and regulations adopted pursuant to Section 6.19 in any manner permitted by law, including, without limitation, by seeking injunctive relief and/or the imposition of fines and reasonable attorney's fees. No delay or failure to invoke an available remedy with regard to the violation of any provision contained herein or any rule or regulation shall be held to be a waiver of any right or remedy available upon the recurrence or continuance of said violation or the occurrence of any other violation.

ARTICLE VII AMENDMENT OF DECLARATION

Section 7.1 General. No amendment to the Declaration shall be effective until duly approved and executed and recorded in the Moore County Register of Deeds.

Section 7.2 Amendment of Declaration Without Approval of Owners. So long as it owns one (1) or more Lots, the Declarant, without the consent or approval of any other Owner, shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property, or to comply with the requirements of law or regulations of any agency regarding the purchase or sale of such Lots and improvements or mortgage interests therein.

Section 7.3 Amendment or Termination of Declaration After Declarant's Final Lot Conveyance. After the Declarant shall have conveyed its last Lot, the Lot Owners shall have the right to amend or terminate this Declaration upon vote of eighty percent (80%) of the Lots, each Lot having one (1) vote notwithstanding any lot recombination.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

Section 8.1 Covenants Running with the Land. Each Owner, by the acceptance of a deed of conveyance for a Lot, accepts title to that Lot subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration. All rights, benefits and privileges of every character hereby granted, created, reserved, or declared, and all impositions and obligations hereby imposed, shall be deemed to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance. These covenants shall so run with the land and shall be so binding for a period of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless amended or terminated as set forth in Section 7.3.

Section 8.2 Waiver. No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur. There shall be no waiver of strict compliance with the provisions of the Declaration except expressly and in a writing signed by the waiving party.

Section 8.3 Severability. The invalidity or unenforceability of any covenant, restriction, condition, limitation or any other provision of this Declaration, or of any part of the same, shall not impair or affect in any manner the validity or enforceability of the rest of the Declaration. The invalid or unenforceable provision shall be stricken from this Declaration to the narrowest possible extent.

Section 8.4 Time Limits. If any of the privileges, covenants, restrictions or rights created by this Declaration shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until the expiration of ninety (90) years from the date of recordation of this Declaration.

Section 8.5 No Liability. Neither Declarant, nor any subsidiary, employee, agent, successor or assign of Declarant, shall be liable for any claim or damage whatsoever arising out of any actions performed pursuant to or in accordance with any authority granted or delegated to them by this Declaration.

Section 8.6 Headings. The heading to each Article and Section of this Declaration is inserted only as a matter of convenience for reference and in no way limits or describes the scope or intent of such Article or Section, or this Declaration in general.

Section 8.7 Access to Other Property. The Easements may be used by the Lot Owners for ingress, egress, or regress to other properties, including All American Trail.

Section 8.8 Access/Development of Abutting Properties. The Declarant reserves the right to access, develop and sell any adjoining property through any easements and or right of ways within Shepherds Watch.

Section 8.9 Access to Roads and Easements. The Declarant reserves the right to use any roads or easements within Shepherds Watch for any reason including, but not limited to access to other properties, road checks/inspection, maintenance, or any other reason.

IN WITNESS WHEREOF, the Declarant has hereunto set its hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers, on the day and year first above written.

JOHN DANIEL BUTLER REVOCABLE TRUST DATED
DECEMBER 14, 2012

By: *John Daniel Butler*
JOHN DANIEL BUTLER, Trustee

STATE OF NC
COUNTY OF Moore

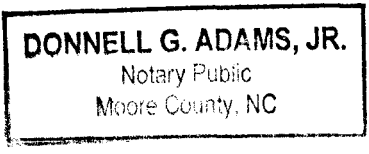
I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document in the aforesaid capacity for the purpose stated therein: JOHN DANIEL BUTLER

Date: 8/18/21 *[Signature]*


Notary Public

My commission expires: Nov 5, 2024

[FULLY AND LEGIBLY AFFIX NOTARIAL SEAL HERE]

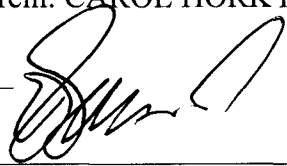


CAROL HORKY BUTLER REVOCABLE TRUST
DATED DECEMBER 14, 2012

By: 
CAROL HORKY BUTLER, Trustee

STATE OF NC
COUNTY OF Moore

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document in the aforesaid capacity for the purpose stated therein: CAROL HORKY BUTLER

Date: 8/18/21 

Notary Public

My commission expires: Nov 5, 2024

[FULLY AND LEGIBLY AFFIX NOTARIAL SEAL HERE]

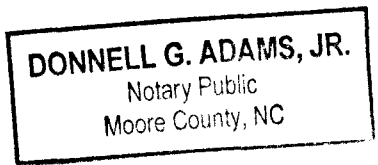


EXHIBIT A

1. Limit pine tree removals on each lot to that required to build a single-family residence and driveway, walkway and parking area (not to exceed 10,000 ft.² per lot). Any additional pine removals will require leaving at least 60 ft.² of pine BA/acre in trees \geq 10 inches in dbh. The number of pines to be retained per acre will depend on the dbh distribution of the pines onsite (Note: 1.0 ft.² of pine BA = one pine approximately 14 inches in dbh). If the pre-existing pine BA/acre is $<$ 60 ft.²/ac., no additional removals will be allowed.

2. Any construction within 50 ft. of a RCW cavity tree or removal of a cavity tree requires approval by the USFWS. If said cavity tree contains a RCW nest, there will be time of day/time of year restrictions on outdoor construction activities.

3. Each lot owner will maintain the open character of the pine habitat such that the hardwood mid/understory does not become dense or exceed 7 ft. in height. Prescribed burning, mowing, hand clearing and/or stump-applied herbicides may be employed. Landscape plantings that will exceed 7 ft. in height will be limited to the immediate vicinity (20 ft.) of the home and walkway.