

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CHESAPEAKE WOODS SUBDIVISION

THIS DECLARATION, made and entered into and established this the 21st day of October, 1998, by VINTAGE ASSOCIATES, LLC, a North Carolina Limited Liability Company, (hereinafter referred to as "Developer"); and WACHOVIA BANK, N.A., a financial institution operating under the laws of the United States;

WITNESSETH:

WHEREAS, Developer is the owner of all of that tract of real property located in Winterville Township, Pitt County, North Carolina, and being more particularly shown and described (on that certain map or plat entitled "Chesapeake Woods", recorded in Map Book 50, at Page 76, in the Office of the Register of Deeds of Pitt County reference to said plat being hereby specifically made; and,

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

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

NOW, THEREFORE, Developer hereby declares that all numbered lots shown on the aforesaid plat entitled "Chesapeake Woods" recorded in Map Book 50, Page 76 in the Office of the Register of Deeds of Pitt County, North Carolina, and any additional property within the Development Area as may by subsequent amendment be added to and subjected to this Declaration, are held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to this Declaration and to the following Restrictions. This Declaration and the Restrictions shall run with the land and shall be binding on all parties having or acquiring a right, title or interest in and to the real property or any part or parts thereof subject to this Declaration.

ARTICLE 1 DEFINITIONS

As used herein,

A. "Developer" means Vintage Associates, LLC, its successors assigns or any legal entity acquiring ownership of portions of the Development Area heretofore not dedicated with the intent and for the purpose of further development.

B. "Development Area" shall mean that property described by deed recorded in Book 790, Page 522 in the Office of the Register of Deeds of Pitt County, North Carolina.

See Instrument recorded in Book 1010 Page 504

See Instrument recorded in Book 1135 Page 3

C. "Lot" means a separately numbered tract land lying within the Subdivision or other dedicated portion of the Development Area and which, according to the plat of the portion recorded at the dedication thereof, may be conveyed by the Developer and owned in fee by the Grantee thereof, and he for such uses as are consistent with this Declaration and the Restrictions covering the area wherein the tract is located. The tract of land shall not become a "Lot" as that word is used herein until the area on which the same is located is "dedicated". The Owner of all of a numbered Lot may combine such numbered Lot part or parts of another such numbered Lot and the aggregate shall be considered as one Lot for the purpose of the Restrictions.

D. "Subdivision" means Chesapeake Woods, and any portion of the Development Area which has been dedicated pursuant to this Declaration.

## ARTICLE 2 APPLICABILITY

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

## ARTICLE 3 ARCHITECTURAL STANDARDS AND ARCHITECTURAL STANDARDS COMMITTEE

The Developer will establish Architectural Standards Committee (hereinafter referred to as the "Committee"). Initially, the Committee shall consist only of the Developer. After ninety percent (90%) or more of the Lots in the Subdivision are sold and title transferred by the Developer, the Committee shall thereafter be composed of five (5) members. The Developer shall have the right to appoint and remove three (3) members of the Committee. The remaining two (2) members of the Committee shall be elected by a majority of the Lot Owners in the Subdivision with each lot having one (1) vote. The members of the Committee shall be either owners of Lots in the Subdivision or members of the Developer.

A. No construction, which term shall include with its definition clearing, excavation, grading and other site work, shall take place except in strict compliance with this Article 3, until the requirements thereof have been fully met, and until the approval of the Committee has been obtained.

B. The Committee shall have exclusive jurisdiction over all original construction on any Lot and later changes or additions after initial approval thereof together with any modifications, additions or alterations subsequently to be constructed on any Lot or made to any improvements initially approved.

C. The Committee shall have the absolute and exclusive right to disapprove any plans, specifications details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions and the guidelines; if the design, color scheme or location upon the Lot or Lots of the

proposed improvements are not in harmony with the general surroundings or adjacent structures; if the plans or specifications submitted are incomplete; or in the event the Committee deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to the Declaration or the owners thereof.

D. The Committee shall approve or disapprove plan specifications and details submitted in accordance with its procedures within fourteen (14) days from the receipt thereof and the decisions of the Committee shall be final and not subject appeal or review. Provided, however, that plans, specifications and details revised in accordance with Committee recommendation may be resubmitted for determination by the Committee. In the event that the Committee fails to approve or disapprove plan specifications and details within fourteen (14) days after submission of the same to the Committee, approval, for the purposes of this Article, shall be deemed to have been given by the Committee.

E. The Committee, or its agent, shall have the right to inspect all construction in accordance with the approved plans, specifications and details.

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

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

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

#### ARTICLE 4 RESTRICTIONS ON USE AND OCCUPANCY

A. No Lot shall be used except for single family residential purposes. No structure shall be erected, placed or permitted to remain on less than a numbered Lot other than one (1) detached, single family residence dwelling and such outbuildings as are usually accessory to a single family residence dwelling, including a private enclosed garage and a second story for guests and/or servants quarters which garage shall not be rented separately for remuneration.

B. Any dwelling constructed on a Lot subject to these Restrictions shall contain not less than three thousand (3,000) square feet of fully enclosed and heated floor area devoted to living purposes (exclusive of roofed or unroofed porches, terraces, garages and any outbuildings).

C. No above-grade structure (except approved fence or walls) may be constructed or placed on any Lot except within the minimum building setback lines as set forth on the recorded plat or by federal, state or local law. In any event, the placement of any structures on any Lot in the Subdivision shall be governed by Article 3.

An owner of a Lot and a portion or all of an adjoining and contiguous Lot or Lots may construct a dwelling and/or other structures permitted hereunder upon and across the dividing line of such adjoining and contiguous Lots, all such structures shall comply with the minimum building setback lines from the actual boundary lines of the subject owner's property, and thereafter such combinations of Lots or portions thereof shall be treated for all purposes under these Restrictions as a single Lot.

D. The design, size and location of containers and the collection and removal of garbage, trash and other such household refuse shall be subject to approval of the Committee.

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

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

2. Once construction of a dwelling or other improvements is started on any Lot, the improvements must substantially completed in accordance with the approved plan and specifications within eighteen (18) months from commencement.

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

4. All dwellings and permitted structures erected or placed on any Lot shall be constructed of material of good grade, quality and appearance, and all construction shall be performed in a good workmanship manner and quality. The exterior of all dwellings and permitted structures shall be either natural wood, stone or brick. The covering for all roofs shall be wood shake shingles or Timberline style shingles or, approved by the Committee, similar dimensional and style shingles. No used structures shall be relocated or placed on any Lot and no structures shall have an exterior constructed of concrete blocks or asbestos siding. Any permitted outbuilding shall be of the same material, quality, general appearance and workmanship as the dwelling on the Lot. The requirements of the Committee shall control all improvements on any Lot as it is therein specified.

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

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

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

8. No stripped, partially wrecked, or junk motor vehicle, or part thereof , shall be

permitted to be parked or kept on any Lot. All motor vehicles of any type kept on a Lot shall have current registration and inspection certificate.

9. No vehicle of any type shall be regularly parked on any street in the subdivision. No truck or other vehicle in excess of a one-ton load capacity or any mobile home, trailer, camper, similar vehicle or boat shall be parked or kept overnight or longer, on any Lot, in such a manner as to be visible to the occupants of other Lots or the users of a street or recreation area.

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

11. All outdoor poles, clotheslines and similar equipment shall be screened or so placed as not to be visible the occupants of other Lots or the users of any street recreation area.

12. All recreational equipment and personal property other than automobiles or bicycles must be stored in such a manner approved by the Committee.

13. No mail or paper box or other receptacle of any kind for use in the delivery of mail or newspapers, magazines or similar material shall be erected or located upon any Lot except such receptacle of standard design as shall have been approved by the Committee.

14. No sign (excluding typical "For Sale" and builder identification signs or similar signs), billboard or other advertising structure of any kind may be erected or maintained upon any Lot, provided, however, that construction identification signs approved by the Committee showing the Lot number and name of the builder may be exhibited upon Lot during the period of construction.

15. No radio station or short wave operator of any kind shall operate from any Lot or residence without the prior written approval of the Committee. All radio and television antenna installations shall be approved in writing the Committee before the antenna is installed.

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

17. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets in a reasonable number may be kept and provided, further, that such pets do not constitute a danger or nuisance to other Lot owners or to the neighborhood.

18. The erection of fences shall require approval of the Committee as provided in Article 3. No fence of chain link type construction shall be approved by the Committee, except that the Committee, in its sole discretion, may approve fence of chain link construction and up to six feet in height for purpose of containing pets provided same does not extend more than twenty-five (25) feet in any direction and are constructed within the minimum building setback lines.

19. Entrances to enclosed garages may face away from either side of the primary dwelling

or toward the rear of the primary dwelling. All such garages shall have a door or doors that completely close off the garage entrance.

20. No window air-conditioning units shall be installed in the side of any structure in such manner as to be visible from any street or recreational area.

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

#### ARTICLE 5 AMENITIES AND FACILITIES

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

#### ARTICLE 6 HOMEOWNERS ASSOCIATION

A homeowners association shall be formed for the subdivision upon an affirmative vote of a majority of the owners of lots in the subdivision (with each lot having one vote and the casting of the vote being determined among the owners of the lot). Once formed, membership in the homeowners association shall be mandatory for all lot owners. Any membership dues or assessments shall be paid by each member and, if unpaid, shall constitute a lien on the lot of the owner who has not paid. The amount of dues or assessments shall be determined by a majority vote of the lot owners, with each lot having one vote. When the homeowners association has been formed, the lot owners shall elect a board of directors of five (5) members who shall all be lot owners. The board of directors shall elect officers, who also shall be lot owners. The board of directors shall develop bylaws for the homeowners association that shall be presented to the lot owners to be approved by a majority vote, with each lot having one vote.

#### ARTICLE 7 WAIVER

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

#### ARTICLE 8 VARIANCES

The Committee in its discretion may make all reasonable variances and adjustments of these Restrictions order to alleviate practical difficulties and hardship in their enforcement and operation. Any such variances shall not violate the spirit or the intent of this document to create a Subdivision of Lots owned in

fee by various Persons.

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

ARTICLE 9  
DURATION, AMENDMENT AND TERMINATION

A. The covenants and Restrictions contained in the Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded after which time, they shall be, automatically extended for successive periods of one (1) year. This Declaration may be amended in full or part during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. To be effective a amendment must be recorded in the office of the Register of Deeds of Pitt County, North Carolina and a marginal entry of the same must be signified on the face of this document.

B. Invalidation of any one of these Covenants and Restrictions by Judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

ARTICLE 10  
CAPTIONS

The captions preceding the various Articles of the Restrictions are for the convenience of reference only, and shall not be used as an aid in interpretation or construction of these Restrictions. As used herein, the singular includes the plural and where there is more than one Owner of a Lot, said Owners are jointly and severally liable for the obligation herein imposed. Throughout this Declaration, references to the masculine shall be deemed to include the feminine, the feminine to include the masculine and the neuter to include the masculine and feminine.

ARTICLE 11  
ASSIGNABILITY OF RIGHTS AND LIABILITIES

Developer shall have the right to sell, lease, transfer, assign, license and in any manner alienate or dispose of any rights, interests and liabilities retained, accruing or reserved to it by this Declaration. Following any such disposition, Developer in no way shall be liable or responsible to any party with regard to any such right, interest, liability or any claim or claims arising out of same in any manner.

ARTICLE 12  
LIBERAL CONSTRUCTION

The provisions of this Declaration shall be constructed liberally to effectuate its purpose of creating a Subdivision of fee simple ownership of Lots and buildings governed and controlled by rules, restrictions, covenants conditions, reservations and easements administered by the Committee with each owner entitled to and burdened with the rights and easements equivalent to those of the other Owners.

WACHOVIA BANK, N.A., the first lienholder of the property contained in the Subdivision by virtue of a deed of trust appearing of record in Deed Book 790 at Page 525 of the Pitt County Registry, joins in the

execution of these covenants for the purpose of subordinating its deed of trust to the provisions contained in these covenants.

IN TESTIMONY WHEREOF, Vintage Associates, LLC has caused this instrument to be executed in its name by its Manager, this the day and year first above written.

VINTAGE ASSOCIATES, LLC

By: Thomas F. Stoughton  
Manager

By: Julia J. White III  
Manager

WACHOVIA BANK, N.A.

By: Phil Hallman  
Vice President

(CORPORATE SEAL)  
ATTEST  
Cheryl A. [Signature]  
Assistant Secretary

STATE OF NORTH CAROLINA

COUNTY OF PITT

I, Sharon K. Pogue, a Notary Public in and for the aforesaid County and State do hereby certify that Thomas F. Stoughton, Manager of Vintage Associates, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and Notary Seal this the 23rd day of October, 1998.

Sharon K. Pogue  
Notary Public

My Commission Expires:

My Commission Expires February 26, 2000



STATE OF NORTH CAROLINA

COUNTY OF PITT

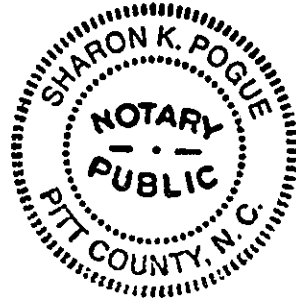
I, Sharon K. Pogue, a Notary Public in and for the aforesaid County and State do hereby certify that Julian J. White, III, Manager of Vintage Associates, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and Notary Seal this the 23rd day of October, 1998.

Sharon K. Pogue  
Notary Public

My Commission Expires:

My Commission Expires February 26, 2000.



STATE OF NORTH CAROLINA

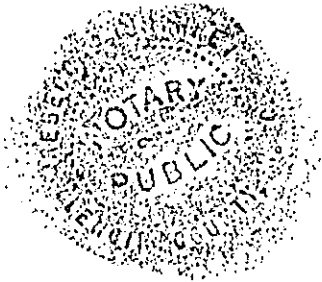
COUNTY OF PITT

I, Rebecca Humphrey, a Notary Public in and for the aforesaid County and State, do hereby certify that Richard Jones personally appeared before me this day and acknowledged that he/she is Assistant Secretary of WACHOVIA BANK, N.A., a National Banking Association, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, Phil Holloman, sealed with its corporate seal and attested by himself/herself as its Assistant Secretary.

Witness my hand and Notarial Seal, this the 26 day of October, 1998.

Rebecca Humphrey  
NOTARY PUBLIC

My Commission Expires:



NORTH CAROLINA: Pitt County  
The foregoing certificate(s) of Sharon K. Pogue

Notary(ies) Public is (are) certified to be correct. Filed for registration at 2:43 o'clock P M. this 3 day of November 1998.

ANNIE G. HOLDER, Register of Deeds  
By Annie G. Holder  
Assistant/Deputy Register of Deeds