



NORTH CAROLINA REAL ESTATE COMMISSION

Residential Property And Owners' Association Disclosure Statement

Protecting the Public Interest in Real Estate Brokerage Transactions

Property Address/Description: 102 Bardon Dr. New Bern, NC 28562
Owner's Name(s): Albert J. Yellig

North Carolina law N.C.G.S. 47E requires residential property owners to complete this Disclosure Statement and provide it to the buyer prior to any offer to purchase. There are limited exemptions for completing the form, such as new home construction that has never been occupied. Owners are advised to seek legal advice if they believe they are entitled to one of the limited exemptions contained in N.C.G.S. 47E-2.

An owner is required to provide a response to every question by selecting Yes (Y), No (N), No Representation (NR), or Not Applicable (NA). An owner is not required to disclose any of the material facts that have a NR option, even if they have knowledge of them. However, failure to disclose latent (hidden) defects may result in civil liability. The disclosures made in this Disclosure Statement are those of the owner(s), not the owner's broker.

- If an owner selects Y or N, the owner is only obligated to disclose information about which they have actual knowledge. If an owner selects Y in response to any question about a problem, the owner must provide a written explanation or attach a report from an attorney, engineer, contractor, pest control operator, or other expert or public agency describing it.
- If an owner selects N, the owner has no actual knowledge of the topic of the question, including any problem. If the owner selects N and the owner knows there is a problem or that the owner's answer is not correct, the owner may be liable for making an intentional misstatement.
- If an owner selects NR, it could mean that the owner (1) has knowledge of an issue and chooses not to disclose it; or (2) simply does not know.
- If an owner selects NA, it means the property does not contain a particular item or feature.

For purposes of completing this Disclosure Statement: "**Dwelling**" means any structure intended for human habitation, "**Property**" means any structure intended for human habitation and the tract of land, and "**Not Applicable**" means the item does not apply to the property or exist on the property.

OWNERS: The owner must give a completed and signed Disclosure Statement to the buyer no later than the time the buyer makes an offer to purchase property. If the owner does not, the buyer can, under certain conditions, cancel any resulting contract. An owner is responsible for completing and delivering the Disclosure Statement to the buyer even if the owner is represented in the sale of the property by a licensed real estate broker and the broker must disclose any material facts about the property that the broker knows or reasonably should know, regardless of the owner's response.

The owner should keep a copy signed by the buyer for their records. If something happens to make the Disclosure Statement incorrect or inaccurate (for example, the roof begins to leak), the owner must promptly give the buyer an updated Disclosure Statement or correct the problem. Note that some issues, even if repaired, such as structural issues and fire damage, remain material facts and must be disclosed by a broker even after repairs are made.

BUYERS: The owner's responses contained in this Disclosure Statement are not a warranty and should not be a substitute for conducting a careful and independent evaluation of the property. **Buyers are strongly encouraged to:**

- Carefully review the entire Disclosure Statement.
- Obtain their own inspections from a licensed home inspector and/or other professional.

DO NOT assume that an answer of N or NR is a guarantee of no defect. If an owner selects N, that means the owner has no actual knowledge of any defects. It does not mean that a defect does not exist. If an owner selects NR, it could mean the owner (1) has knowledge of an issue and chooses not to disclose it, or (2) simply does not know.

BROKERS: A licensed real estate broker shall furnish their seller-client with a Disclosure Statement for the seller to complete in connection with the transaction. A broker shall obtain a completed copy of the Disclosure Statement and provide it to their buyer-client to review and sign. All brokers shall (1) review the completed Disclosure Statement to ensure the seller responded to all questions, (2) take reasonable steps to disclose material facts about the property that the broker knows or reasonably should know regardless of the owner's responses or representations, and (3) explain to the buyer that this Disclosure Statement does not replace an inspection and encourage the buyer to protect their interests by having the property fully examined to the buyer's satisfaction.

- **Brokers are NOT permitted to complete this Disclosure Statement on behalf of their seller-clients.**
- Brokers who own the property may select NR in this Disclosure Statement but are obligated to disclose material facts they know or reasonably should know about the property.

Buyer Initials Owner Initials
Buyer Initials Owner Initials

**SECTION A.
STRUCTURE/FLOORS/WALLS/CEILING/WINDOW/ROOF**

	Yes	No	NR											
A1. Is the property currently owner-occupied? Date owner acquired the property: <u>2-10-2021</u> If not owner-occupied, how long has it been since the owner occupied the property? _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
A2. In what year was the dwelling constructed? <u>2009</u>			<input type="checkbox"/>											
A3. Have there been any structural additions or other structural or mechanical changes to the dwelling(s)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>											
A4. The dwelling's exterior walls are made of what type of material? (Check all that apply) <input type="checkbox"/> Brick Veneer <input checked="" type="checkbox"/> Vinyl <input type="checkbox"/> Stone <input type="checkbox"/> Fiber Cement <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Concrete <input type="checkbox"/> Aluminum <input type="checkbox"/> Wood <input type="checkbox"/> Asbestos <input type="checkbox"/> Other: _____			<input type="checkbox"/>											
A5. In what year was the dwelling's roof covering installed? <u>2009</u>			<input type="checkbox"/>											
A6. Is there a leakage or other problem with the dwelling's roof or related existing damage?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>											
A7. Is there water seepage, leakage, dampness, or standing water in the dwelling's basement, crawl space, or slab?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>											
A8. Is there an infestation present in the dwelling or damage from past infestations of wood destroying insects or organisms that has not been repaired?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>											
A9. Is there a problem, malfunction, or defect with the dwelling's:														
	NA	Yes	No	NR		NA	Yes	No	NR		NA	Yes	No	NR
Foundation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Windows	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attached Garage	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Slab	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Doors	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fireplace/Chimney	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Patio	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ceilings	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Interior/Exterior Walls	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Floors	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Deck	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Explanations for questions in Section A (identify the specific question for each explanation):

**SECTION B.
HVAC/ELECTRICAL**

	Yes	No	NR
B1. Is there a problem, malfunction, or defect with the dwelling's electrical system (outlets, wiring, panels, switches, fixtures, generator, etc.)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
B2. Is there a problem, malfunction, or defect with the dwelling's heating and/or air conditioning?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
B3. What is the dwelling's heat source? (Check all that apply; indicate the year of each system manufacture)			<input type="checkbox"/>
<input checked="" type="checkbox"/> Furnace [_____ # of units] Year: <u>2009</u>			
<input checked="" type="checkbox"/> Heat Pump [_____ # of units] Year: <u>2009</u>			
<input type="checkbox"/> Baseboard [_____ # of bedrooms with units] Year: _____			
<input type="checkbox"/> Other: _____ Year: _____			

Buyer Initials [] [] Owner Initials [AS] []
 Buyer Initials [] [] Owner Initials [] []

Yes No NR

B4. What is the dwelling's cooling source? (Check all that apply; indicate the year of each system manufacture)

Central Forced Air: _____ Year: 2009 Wall/Windows Unit(s): _____ Year: _____
 Other: _____ Year: _____

B5. What is the dwelling's fuel source? (Check all that apply)

Electricity Natural Gas Solar Propane Oil Other: _____

Explanations for questions in Section B (identify the specific question for each explanation):

[Empty box for explanations]

SECTION C.
PLUMBING/WATER SUPPLY/SEWER/SEPTIC

Yes No NR

C1. What is the dwelling's water supply source? (Check all that apply)

City/County Shared well Community System Private well Other: _____

If the dwelling's water supply source is supplied by a private well, identify whether the private well has been tested for: (Check all that apply).

Quality Pressure Quantity

If the dwelling's water source is supplied by a private well, what was the date of the last water quality/quantity test? _____

C2. The dwelling's water pipes are made of what type of material? (Check all that apply)

Copper Galvanized Plastic Polybutylene Other: _____

C3. What is the dwelling's water heater fuel source? (Check all that apply; indicate the year of each system manufacture) Gas: _____ Electric: _____ Solar: _____ Other: _____

C4. What is the dwelling's sewage disposal system? (Check all that apply)

Septic tank with pump Community system Septic tank Drip system
 Connected to City/County System City/County system available Other: _____
 Straight pipe (wastewater does not go into a septic or other sewer system) *Note: Use of this type of system violates State Law.

If the dwelling is serviced by a septic system, how many bedrooms are allowed by the septic system permit? _____ No Records Available

Date the septic system was last pumped: _____

C5. Is there a problem, malfunction, or defect with the dwelling's:

	NA	Yes	No	NR		NA	Yes	No	NR
Septic system	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Plumbing system (pipes, fixtures, water heater, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sewer system	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water supply (water quality, quantity, or pressure)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Explanations for questions in Section C (identify the specific question for each explanation):

[Empty box for explanations]

Buyer Initials _____ Owner Initials Ch

**SECTION D.
FIXTURES/APPLIANCES**

	Yes	No	NR																
D1. Is the dwelling equipped with an elevator system? If yes, when was it last inspected? _____ Date of last maintenance service: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																
D2. Is there a problem, malfunction, or defect with the dwelling's:																			
	NA	Yes	No	NR		NA	Yes	No	NR										
Attic fan, exhaust fan, ceiling fan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Irrigation system	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sump pump	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Garage door system	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Elevator system or component	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pool/hot tub /spa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gas logs	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Security system	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Appliances to be conveyed	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	TV cable wiring or satellite dish	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Central vacuum	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Explanations for questions in Section D (identify the specific question for each explanation):
ICE MAKER Defective - not Repairable

**SECTION E.
LAND/ZONING**

	Yes	No	NR
E1. Is there a problem, malfunction, or defect with the drainage, grading, or soil stability of the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E2. Is the property in violation of any local zoning ordinances, restrictive covenants, or local land-use restrictions (including setback requirements?)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E3. Is the property in violation of any building codes (including the failure to obtain required permits for room additions or other changes/improvements?)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E4. Is the property subject to any utility or other easements, shared driveways, party walls, encroachments from or on adjacent property, or other land use restrictions?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E5. Does the property abut or adjoin any private road(s) or street(s)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E6. If there is a private road or street adjoining the property, are there any owners' association or maintenance agreements dealing with the maintenance of the road or street? <input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanations for questions in Section E (identify the specific question for each explanation):
Common Area Easements behind house

**SECTION F.
ENVIRONMENTAL/FLOODING**

	Yes	No	NR
F1. Is there hazardous or toxic substance, material, or product (such as asbestos, formaldehyde, radon gas, methane gas, lead-based paint) that exceed government safety standards located on or which otherwise affect the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Buyer Initials Owner Initials
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- | | Yes | No | NR |
|--|--------------------------|-------------------------------------|--------------------------|
| F2. Is there an environmental monitoring or mitigation device or system located on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F3. Is there debris (whether buried or covered), an underground storage tank, or an environmentally hazardous condition (such as contaminated soil or water or other environmental contamination) located on or which otherwise affect the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F4. Is there any noise, odor, smoke, etc., from commercial, industrial, or military sources that affects the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F5. Is the property located in a federal or other designated flood hazard zone? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F6. Has the property experienced damage due to flooding, water seepage, or pooled water attributable to a natural event such as heavy rainfall, coastal storm surge, tidal inundation, or river overflow? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F7. Have you ever filed a claim for flood damage to the property with any insurance provider, including the National Flood Insurance Program? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F8. Is there a current flood insurance policy covering the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F9. Have you received assistance from FEMA, U.S. Small Business Administration, or any other federal disaster flood assistance for flood damage to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F10. Is there a flood or FEMA elevation certificate for the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

NOTE: An existing flood insurance policy may be assignable to a buyer at a lesser premium than a new policy. For properties that have received disaster assistance, the requirement to obtain flood insurance passes down to all future owners. Failure to obtain flood insurance can result in an owner being ineligible for future assistance.

Explanations for questions in Section F (identify the specific question for each explanation):

SECTION G. MISCELLANEOUS

- | | Yes | No | NR |
|--|-------------------------------------|-------------------------------------|--------------------------|
| G1. Is the property subject to any lawsuits, foreclosures, bankruptcy, judgments, tax liens, proposed assessments, mechanics' liens, materialmens' liens, or notices from any governmental agency that could affect title to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| G2. Is the property subject to a lease or rental agreement? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| G3. Is the property subject to covenants, conditions, or restrictions or to governing documents separate from an owners' association that impose various mandatory covenants, conditions, and or restrictions upon the lot or unit? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Explanations for question in Section G (identify the specific question for each explanation):

Buyer Initials Owner Initials

Buver Initials Owner Initials

**SECTION H.
OWNERS' ASSOCIATION DISCLOSURE**

If you answer 'Yes' to question H1, you must complete the remaining questions in Section H. If you answered 'No' or 'No Representation' to question H1, you do not need to answer the remaining questions in Section H.

Yes No NR

H1. Is the property subject to regulation by one or more owners' association(s) including, but not limited to, obligations to pay regular assessments or dues and special assessments?

If "yes," please provide the information requested below as to each owners' association to which the property is subject [insert N/A into any blank that does not apply]:

a. (specify name) Craichevine Forest Prop. Owners whose regular assessments ("dues") are \$ 200 per year.

The name, address, telephone number, and website of the president of the owners' association or the association manager are: 252-637-5600

b. (specify name) _____ whose regular assessments ("dues") are \$ _____ per _____.

The name, address, telephone number, and website of the president of the owners' association or the association manager are: _____

c. Are there any changes to dues, fees, or special assessment which have been duly approved and to which the lot is subject?

If "yes," state the nature and amount of the dues, fees, or special assessments to which the property is subject: _____

H2. Is there any fee charged by the association or by the association's management company in connection with the conveyance or transfer of the lot or property to a new owner?

If "yes," state the amount of the fees: _____

H3. Is there any unsatisfied judgment against, pending lawsuit, or existing or alleged violation of the association's governing documents involving the property?

If "yes," state the nature of each pending lawsuit, unsatisfied judgment, or existing or alleged violation: _____

H4. Is there any unsatisfied judgment or pending lawsuits against the association?

If "yes," state the nature of each unsatisfied judgment or pending lawsuit: _____

Explanations for questions in Section H (identify the specific question for each explanation):

Owner(s) acknowledge(s) having reviewed this Disclosure Statement before signing and that all information is true and correct to the best of their knowledge as of the date signed.

* Owner Signature: Albert J. Yelley Date 4/23/25

Owner Signature: _____ Date _____

Buyers(s) acknowledge(s) receipt of a copy of this Disclosure Statement and that they have reviewed it before signing.

Buyer Signature: _____ Date _____

Buyer Signature: _____ Date _____

NORTH CAROLINA

CRAVEN COUNTY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made and entered into this 10th day of December, 2008, by and between **P & J OF NEW BERN, LLC**, a limited liability company duly organized and existing under and by virtue of the laws of the State of North Carolina with its principal office and place of business in New Bern, North Carolina (hereinafter "**Declarant**"); **BB&T COLLATERAL SERVICE CORPORATION**, Trustee for Branch Banking and Trust Company; **BRANCH BANKING AND TRUST COMPANY**, a North Carolina banking corporation with an office and place of business in Craven County, North Carolina (hereinafter "**Beneficiary**"); **CRAEBERNE FOREST PROPERTY OWNERS' ASSOCIATION, INC.** (hereinafter "**Association**"); and all **PROSPECTIVE PURCHASERS** and **OWNERS** (hereinafter "**Purchasers**" or "**Owners**") of Lots of land hereinafter enumerated and situate in Craeberne Forest, Phase I, Section 2A, according to the plan of record in the Office of the Register of Deeds of Craven County, North Carolina in Plat Cabinet H, Slides 136A through 136D, the same depicting a subdivision in Number Eight (8) Township, Craven County, North Carolina, is as follows:

WITNESSETH:

✓ Prepared By *+ Return to: ✓*
Sumrell, Sugg, Carmichael, Hicks & Hart, P.A.
Attorneys at Law
416 Pollock Street
New Bern, North Carolina 28560

Worflow No. 778582

WST



THAT WHEREAS, Declarant is the Owner of numbered Lots 122 through 132, Lots 206 through 227 and 254 through 270, inclusive (hereinafter individually "**Lot**" or collectively "**Lots**") and parcels labeled Common Area in Craeberne Forest, as all are shown and designated on a plat entitled "Craeberne Forest, Phase I, Section 2A" (hereinafter "**Subdivision**"), of record in the Office of the Register of Deeds of Craven County in Plat Cabinet H, Slides 136A through 136D, and,

WHEREAS, DECLARANT hereby makes this Declaration of Covenants, Conditions and Restrictions (hereinafter "**Instrument**") for the purpose of restricting the aforesaid numbered Lots and Common Area in accordance with the conditions hereinafter set out so as to promote the best interest of the PURCHASERS and to protect their investments, and to protect the best interest of the DECLARANT and to protect its investments; and,

WHEREAS, DECLARANT hereby agrees with the PURCHASERS to convey said Lots according to the plan hereinabove mentioned subject to this Instrument, and this Instrument shall be binding and in full force and effect upon each and every Purchaser, whether or not this Instrument is mentioned in the deed, so that these said Lots shall constitute a desirable residential community.

The covenants and restrictions are as follows:

ARTICLE I
ARCHITECTURAL CONTROL

a. Prior Approval Required for all Improvements. No exterior construction, alteration, improvement, repair, replacement or addition of any nature whatsoever (including but not limited to a building, home, residence, outbuilding, driveway, vista dock, walkway, fence, wall, garage, patio, carport, playhouse, swimming pool or other structure, staking, clearing, excavation, ditching, grading, filling, change in color or type of any existing improvement, planting or removal of landscaping materials, exterior lighting, placement or installation of



statuary, flags, fountains and similar items, improvements or modifications to the roof, material, color, paint stain or varnish, or the interior porches, patios or similar portions of a structure which are visible from outside the structure) shall be commenced, placed or maintained upon a Lot or any portion thereof until complete and final plans and specifications setting forth the information hereinafter described shall have been submitted to, and approved in writing by, the Architectural Review Board (hereinafter the “**ARB**” as herein defined and described) as to the harmony of the exterior design and general quality with the existing standards of the Subdivision and as to location in relation to surrounding structures and topography. The ARB is authorized to adopt procedures regarding applications for design approvals and the procedure it uses for processing applications.

b. Promulgation of Development Standards. Declarant shall prepare initial Development Standards, which may contain general and specific provisions applicable to any and all construction, alteration, improvement, repair, replacement or addition of any nature whatsoever upon any Lot, which may specifically prohibit or require the use of certain materials for construction in the Subdivision and which may impose different standards, provisions or restrictions as between Lots or groups of Lots based upon location, size, configuration or other similar or related attributes. The Development Standards are intended to provide guidance to Owners regarding matters of particular concern to the ARB considering applications. In addition to addressing architectural features, the Development Standards may include guidelines for landscaping and any other improvement of any Lot and may likewise contain guidelines for the approval or consideration of any specific item delegated to the ARB under this Instrument. The Development Standards are not the exclusive basis for decisions of the ARB and compliance with the Development Standards does not guarantee approval of any application. In addition, the Development Standards may contain certain types or categories of construction, alteration,



addition or repair work which may be exempt or excluded from approval by the ARB as herein described.

Declarant shall have sole and full authority to amend the Development Standards for so long as the Declarant owns any Lot or Lots. Thereafter, the ARB shall have the authority to amend the Development Standards. Any amendments to the Development Standards shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Development Standards, and such amendments may remove requirements previously imposed or otherwise make the Development Standards less restrictive.

By way of illustration and not limitation, the Development Standards may regulate or prohibit (in the case of certain types of materials or design features) the following specific items:

- (i) The type of garage for any residence constructed upon any Lot and whether detached garages or "drive under" garages are permitted or required;
- (ii) The type of material for ground level exterior of all structures;
- (iii) The type of material for all exteriors above the ground level of all dwellings;
- (iv) The type of material for all window casings and porch ceilings;
- (v) The type of material for all rooves of all dwellings;
- (vi) The type and style of all windows of all structures;
- (vii) The type and style of all landscaping and the sequence of the installation of landscaping relative to the initial completion and occupancy of any dwelling constructed on any Lot;
- (viii) The type and style of mailboxes utilized by all Owners of Lots;

(ix) whether solar panels shall be allowed upon any Lot or in the Subdivision;
or

(x) All items requiring approval by the ARB under this Instrument.

c. Declarant Exemption. Notwithstanding anything stated to the contrary herein, nothing contained in this Article shall be construed as prohibiting any construction, alteration, addition or removal by the Declarant upon any portion of the Subdivision or upon any Lot or Lots while such is owned by the Declarant. Any construction, alteration, addition or removal performed by the Declarant upon any portion of the Subdivision or upon any Lot or Lots while such Property is owned by the Declarant shall be exempt from the provisions of this Article.

ARTICLE II ARCHITECTURAL REVIEW BOARD

a. Exclusive Jurisdiction and Plan Approval Process. The Architectural Review Board (hereinafter “**ARB**”) shall have exclusive jurisdiction over all construction, alterations, improvements, repairs, replacements or additions on any portion of any Lots. Responsibility for the review of all applications under this Article shall be vested in the ARB. All plans and specifications for any construction, alteration, improvement, repair, replacement or addition whatsoever to be erected on any Lot, including, but not by way of limitation, fences, type of exterior material and exterior color and the proposed location and orientation in relation to streets, the construction material, the roofs and exterior color schemes, any later changes or additions after initial approval thereof and any remodeling, reconstruction, alterations, or additions thereto on any Lot shall be subject to and shall require the approval in writing by the ARB before any such work is commenced by the ARB. Such application shall also include the name of the contractor, a statement as to the classification of contractor’s license held by such contractor and the address and telephone number of the contractor. If the identity and license



information for the contractor is not available when the Owner makes application to the ARB, the information shall be submitted to the ARB at least thirty (30) days prior to commencement of construction.

b. Membership of ARB. The ARB shall be composed of three (3) members. For so long as Declarant owns any Lot or Lots, Declarant shall have the right to appoint and remove for cause or without cause members of the ARB. The initial members of the ARB are Patrick O. McCullough, James M. Stallings, Jr. and B. T. Odham. Upon the resignation of all of the initial members of the ARB, Craeberne Forest Property Owners' Association, Inc. (hereinafter "**Association**") shall have the right to appoint and remove members of the ARB, for cause or without cause. So long as any of the initial members of the ARB serve, upon the resignation of any of the initial members, the remaining initial members shall have the right to appoint the successor. Members of the ARB need not be Owners, Members of the Association or representatives of Owners or Members, and may, but need not, include architects, landscape architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Association.

c. Fees and Content of Plans. The ARB may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred by the ARB in having any application reviewed by architects, engineers or other professionals. Any fee as established by the ARB shall be submitted to the ARB with two (2) complete sets of the final plans and specifications for any and all proposed improvements, the erection or alteration of which is desired, and no dwellings or improvements of any kind shall be erected, altered, placed or maintained upon any Lot unless and until the final plans, elevations, and specifications therefor have received written approval as herein provided. Such plans shall include at a minimum plot



plans showing the location on the Lot of the building, wall, fence or other improvement proposed to be constructed, altered, placed or maintained, together with the proposed construction material, color schemes for roofs and exteriors thereof and proposed landscaping, and the ARB reserves the right to require any and all additional or further information it deems necessary or desirable to consider such plans. The ARB shall have the right from time to time to increase or decrease the review fee herein required.

d. Review Schedule. All plans, specifications and details submitted to the ARB shall be reviewed in compliance with a review schedule promulgated from time to time by the ARB. One (1) set of said plans, specifications and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them and the other copy thereof shall be retained by the ARB for its permanent files.

e. Right to Disapprove Plans. The ARB shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of this instrument or the Development Guidelines, if the design or color scheme of the proposed dwelling or other improvement is not in harmony with the general surroundings of such Lot or the Subdivision or with the adjacent dwellings or improvements, if the plans and specifications submitted are incomplete, or in the event the ARB deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the Subdivision, or the Owners thereof. The decisions of the ARB shall be final and not subject to appeal or review. ARB approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval.

f. Limitation of Liability. The standards and procedures established pursuant to this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics of the Subdivision only and shall not impose on Declarant, the Association or the ARB any duty to any Owner. Neither Declarant, the Association, nor the ARB shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, the adequacy of soils or drainage, or for ensuring compliance with building codes and other governmental requirements or regulations. IN ALL CASES THE OWNER IS RESPONSIBLE FOR ENSURING COMPLIANCE WITH BUILDING CODES AND OTHER GOVERNMENTAL REGULATIONS AND FOR ENSURING THE STRUCTURAL INTEGRITY OR SOUNDNESS OF PROPOSED CONSTRUCTION OR MODIFICATIONS, THE ADEQUACY OF SOILS OR DRAINAGE. Neither Declarant, the Association, the ARB, nor any member of any of the foregoing, shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Lot.

g. Commencement of Construction After Plan Approval. If construction does not commence on a project for which plans have been approved by the ARB within one year after the date of approval thereof, such approval shall be deemed withdrawn and it shall be necessary for the Owner to reapply for approval before commencing any activities. Once construction is commenced, it shall be diligently pursued to completion. All work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the ARB grants an extension in writing, which it shall not be obligated to do. If approved work is not completed within the required time, it shall be considered nonconforming and shall be subject to enforcement action by the Association. Without limiting the generality of the foregoing, the Association may, in its sole discretion, either restore the Lot to the condition that

existed before construction began or may complete construction, either at the Owner's costs and with lien rights created herein and under North Carolina law.

h. Compliance Certificate. The ARB shall, within a reasonable time after request by an Owner, furnish to any Owner a certificate in writing signed by a member of the ARB, stating whether any exterior addition to, change in, or alteration of any structure or landscaping owned by such member on a Lot is in compliance with the provisions of this section, and such certificate shall be conclusive as to whether the same is in such compliance.

i. Restoration Work Authorized for Violation. In the event that any construction or alteration or landscaping work is undertaken or performed upon any portion of a Lot without application having been first made and approval obtained as provided in paragraph (a) of this section, said work shall be deemed to be in violation of this Instrument, and the Owner upon whose Lot said work was undertaken or performed may be required to restore to its original condition, at his sole expense, the Lot upon which said work was undertaken or performed. Upon the failure or refusal of any Owner to perform the restoration required herein, the Association, or its authorized agents or employees, may, after fourteen (14) days' notice to such Owner, enter upon the Lot upon which such unauthorized work has been performed, and make such restoration as the Association, in the exercise of its discretion, may deem necessary or advisable. The Owner upon whose Lot such restoration work shall have been so performed shall be personally liable to the Association for all direct and indirect costs which the Association shall incur in the performance of such restoration work, including without limitation attorneys fees, and the liability for such cost shall be secured by all the liens, and shall be subject to the same means of collection, as the assessments provided for in this instrument. Such costs shall be paid to the Association by the Owner at such time, and in such installments, as the Association shall determine.



j. Right to Inspect. The ARB or its agents shall have the right to inspect all construction to insure that such construction and resulting improvements are in accordance with the approved plans, specifications and details. No structure or improvement shall be made unless it conforms substantially to the approved plans, specifications and details.

k. Other Powers. In addition to the foregoing provisions of this Section, the ARB shall have such other powers and duties conferred upon it by this instrument.

ARTICLE III EASEMENTS

a. Creation and Reservation of Easements. Easements, if any, shall be as shown on the recorded map of the Subdivision, and Declarant hereby reserves any such easements for itself, its successors and assigns. All easements shown on the recorded map of the Subdivision shall be deemed relocated upon a combination or recombination of Lots in accordance with Article IV (u) below. Declarant furthermore reserves the right of access, ingress, regress, and egress and the right to maintain and install utilities within all such easements and within all streets depicted on the recorded plat of the Subdivision, for the benefit of any real property owned by Declarant, for the benefit of any real property reserved by and in favor of Declarant as herein below described, or for the benefit of any other real property to which Declarant may grant the rights to use such easements.

b. Reservation for Utility Easement. Declarant reserves the right to subject the real property in this Subdivision to a contract with a service company deemed appropriate by Declarant for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to said service company by the Owner of each Lot.



In addition to the foregoing, the Developer reserves the right to subject the real property in the Subdivision to a contract with Progress Energy Carolinas for the installation of street lighting which requires a continuing monthly payment to Progress Energy Carolinas by each residential customer. Upon annexation, the monthly payment shall continue to be paid by RSL (Residential Subdivision Lighting) customers to Progress Energy Carolinas until such time as the governmental authority either accepts the existing street lighting system without change or accepts the system with PEC (Progress Energy Carolinas) being compensated for any required changes.

c. Reservation Regarding Excavation and Construction of Lakes. Recognizing that Developer intends to create man-made lakes within the Subdivision, the Developer reserves the right of access, ingress, regress, and egress across all Lots and Common Areas in the Subdivision to excavate and construct such lakes. Furthermore, in the event any Lots in the Subdivision are conveyed by the Developer prior to the time Developer completes construction and excavation of said lakes, Developer shall retain the right to adjust upon completion of construction of the lakes the boundary lines for such Lots, without the consent or permission of the Owners of such Lots, through the preparation and recordation of an amended plat for the Lots so affected. In the event such adjustments reduce the square footage of any such Lot by more than 20%, Developer agrees, upon request of such Owners, to purchase from such Owners the Lot upon the same terms and conditions, including purchase price, as contained in the original purchase contract between Developer and such Owner.

ARTICLE IV RESTRICTIONS

In order to provide for the maximum enjoyment of the Lots and the Subdivision by all of the residents thereof and to provide protection for the value of the same, the use of the Lots shall be restricted to, and shall be only in accordance with, the following provisions:

a. Land Use and Building Type. No structure shall be erected, altered, placed, or permitted to remain on any Lot other than for use as a single family residential dwelling. No mobile, modular, and/or manufactured home shall be allowed within the Subdivision or upon any Lot. All Owners of Lots bordering the manmade lakes to be constructed by the Developer in the Subdivision shall maintain all landscaping to the waters edge of such lakes, regardless of the actual location of a particular Lot's boundaries.

b. Dwelling Size. Any dwelling erected upon any Lot shall contain not less than 2,000 square feet of total floor area, as determined by exterior dimensions, exclusive of open porches and garages, provided that the ARB may give credit toward the foregoing minimum square footage requirement for the floor area of covered porches, in the ARB's discretion, and may further waive such square footage requirement, in the ARB's discretion, up to 20% thereof.

c. Dwelling Quality. All dwellings erected upon any Lot shall be constructed of material of good grade, quality, and appearance, and all construction shall be performed in a good workmanlike manner.

d. Set Back Lines. No dwelling shall be located on any Lot any nearer to the front, side or rear Lot lines than as shown on the recorded plat. In addition, no dwelling shall be located other than as shown on the recorded map of the Subdivision.

e. Prohibited Activities. No noxious, offensive, unsightly or unkept activity shall be conducted on any Lot. Each Owner of any Lot, his family, tenants, guests and invitees, shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort.

annoyance or nuisance to any other resident or residents of any other Lot. Storage or placement of fixtures, appliances, machinery, bicycles, towels, equipment or other goods or chattels on any Lot which is visible from outside of the Lot (including but not limited to stoops, driveways, garages, decks, patio areas and docks) is prohibited except as specifically permitted in this Instrument. Rules adopted by the Association may restrict or control storage or placement of furniture and potted plants in areas of a Lot that are visible from outside the Lot.

f. Nuisances. No nuisance shall be permitted to exist upon any Lot. Without limiting the generality of the foregoing, no exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively for security purposes and outdoor stereo speakers audible only within the Lot, shall be located, used or placed on any Lot, or any portion thereof.

g. Occupancy. No dwelling erected upon any Lot shall be occupied in any manner while in the course of construction nor at any time prior to its being fully completed, nor may any dwelling be occupied upon completion of construction until the Owner thereof obtains a certificate or other written instrument from the ARB indicating that the dwelling, as constructed, is in compliance with the plans, specifications and details therefor approved by the ARB in accordance with Article II above. No temporary house, temporary dwelling, temporary garage, temporary outbuilding, trailer home or other temporary structure shall be placed or erected upon any Lot except for storage of materials and other use by the contractor erecting any such building, and all such shall be immediately removed after the construction of the dwelling has been completed.

h. Animals. No Owner may keep any pets other than a reasonable number of generally recognized household pets, as determined by the Association, on any portion of any Lot. In any event, no Owner or Occupant may keep, breed or maintain any pet or horse for any

commercial purpose. Animals must be kept on a leash and/or under the physical control of a responsible person at all times while outdoors. Any feces left upon the Common Areas by an animal must be removed by the Owner of the animal or the person responsible for the animal.

No animal determined to be dangerous, in the Association's sole and absolute discretion, may be brought onto or kept in any Lot or in the Subdivision at any time. The Association may remove without notice any animal that presents an immediate danger to the health, safety or property of any resident.

Each Owner who keeps an animal in any Lot or in the Subdivision agrees to indemnify and hold the Association and its directors, officers and agents harmless from any loss, claim or liability of any kind whatsoever arising by reason of such animal.

i. Antennas: Aerials: Satellite Dishes. No exterior antennas, aerials, satellite dishes or other reception device shall be constructed, installed, placed or affixed unless approved by the ARB. HAM radios, two way radios and other hobby or professional radio communication transmission equipment are prohibited.

j. Clotheslines. No exterior clothesline of any type shall be permitted on any portion of any Lot.

k. Lighting. Exterior lighting visible from the street shall not be permitted except for: (1) ARB approved lighting as originally installed on a Lot; (2) ARB approved decorative post lighting; (3) ARB approved pathway lighting; (4) street lights in conformity with an established street lighting program for the Subdivision; (5) seasonal decorative lights, which shall be immediately removed at the conclusion of such season; or (6) front house illumination of model homes.

l. Play Equipment. Recreational and playground equipment may be placed on a Lot only with the prior written consent of the ARB. Location, materials, colors and other



specifications shall be as provided in the Development Standards and otherwise approved by the ARB.

m. Signs. No signs shall be allowed on any Lot, including, without limitation, "for sale" or "for rent" signs, unless specifically authorized by operation of law, by this section or by the ARB. The only permitted signs are as follows:

(i) one sign per Lot, no greater than sixteen square feet in size, specifying the general contractor and architect actually constructing or designing a primary residential structure on a Lot or advertising periodic, specific events related to the construction or design of a primary residence on a Lot, such as the annual "Parade of Homes." Such sign must be constructed at a size, and to the specifications and styles, from time to time established by the ARB, and must be located in a place on the Lot specified by the ARB. Such sign must be removed upon issuance of a certificate of occupancy for the residence being constructed on the Lot;

(ii) one sign per Lot identifying the Lot upon which such sign is placed only by the name of the Owner and a street or Lot number. Such sign must be constructed at a size, and to specifications and styles, from time to time established by the ARB, and must be located in a place on the Lot specified by the ARB;

(iii) one neighborhood identification sign, not to exceed fifty (50) square feet in size, for the primary entrance to the Subdivision that is erected by Declarant;

(iv) street or directional signs erected by Declarant, the Association, or a governmental entity;

(v) any sign required by and erected by any governmental agency; and

(vi) identification and informational signs constructed by Declarant, the purpose of which are to assist Declarant in identifying the community and the location of Lots, sales offices, amenities, sale models or other uses within the Subdivision.



n. Accessory Buildings and Storage Sheds. All ancillary buildings require ARB approval. Separate living spaces are allowed above detached garages and as separate guest houses dependant on the primary dwelling only upon approval by the ARB.

o. Piers, Docks and Docking Facilities. No piers and docking facilities for individual Lots located on or adjacent to the manmade lakes to be constructed by Declarant in the Subdivision shall be constructed, erected or maintained without prior approval of the ARB.

p. Swimming Pools. No swimming pool shall be constructed, erected or maintained without prior approval of the ARB. No above ground swimming pools will be allowed on any Lot.

q. Flags. Flags may be flown on any Lot, but only if the flag is in good repair, is no larger than three (3) feet by five (5) feet, and is flown in the proper and customary manner for flying such flag. The Association may adopt rules limiting flags, including but not limited to rules prohibiting seasonal or holiday flags, flags related to sports teams, colleges or universities, flags that advertise products or services or that advocate for some person or cause, or flags that are found by the Association in its sole discretion to be obscene or offensive. All flag poles must be affixed to a building on the Lot and must be no longer than six feet.

r. Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot or within the Subdivision except in covered containers of a type, size and style which are approved by the ARB or as required by the applicable governing jurisdiction, and subject to rules promulgated by the Association. Garbage containers must be stored only in a screened location that is constructed of the same material as the siding of the principal building and that has been approved by the ARB, or in a garage. Owners may place garbage containers at the curb or other location specified by garbage collector for collection no more than twenty four (24) hours before the time scheduled for collection and must return garbage containers to the screened area or



garage within twenty-four (24) hours of collection. No person shall burn, deposit or bury rubbish, garbage or any other form of solid waste on any Lot or on Common Areas or within the right of way of any street in the Subdivision.

s. Trees. No healthy living trees having a diameter of six (6) inches or more measured from a point two (2) feet above the ground, and no flowering tree, shrub, evergreen, or natural ground cover, shall be removed, unless such removal is approved by the ARB.

t. Vehicles and Parking. The term "vehicles" as used in this section shall include without limitation automobiles, trucks, boats, trailers, motorcycles, campers, vans, and recreational vehicles. No vehicle may be left upon any portion of any Lot except upon a driveway, a designated parking space or within a garage. No person shall park or store outside any commercial vehicles (including but not limited to any type of vehicle with advertising or lettering), recreational vehicles, mobile homes, trailers, campers, boats or other watercraft, other oversized vehicles, stored vehicles or unlicensed or inoperable vehicles within the Lot, with the exception of emergency vehicle repairs or commercial vehicles which are temporarily parked for the purpose of servicing a Lot or the Property.

All Owner and occupant vehicles must be kept and stored when not in use within the Lot's garage space or such other space as may be approved by the ARB. Garage doors must remain closed at all times except for entry and exit by vehicles and except for periods related to homeowner maintenance activities.

The Association may promulgate rules regarding parking.

u. No Combination of Lots. Contiguous Lots may not be combined together without prior written consent of the ARB, and the ARB may so consent to combination of contiguous Lots only if the total number of Lots in the Subdivision is not increased and the resultant Lots are equal to or exceed the standards of Craven County, the plat for the Subdivision and any other



statutes, rules or regulations of any governmental authority having jurisdiction thereof. In the event that the ARB does approve such a combination, such combination shall thereafter be deemed to be a single Lot for all purposes of this Declaration, except that notwithstanding the foregoing, the amount of assessments for which such single Lot shall be thereafter liable shall be equal to the total assessments for which all of the Lots which were so combined would have been liable had such combination not taken place. Upon such combination, all setbacks and easements shall be deemed relocated to the exterior boundaries of the resultant Lot as combined.

v. Window Air-Conditioners. No air-conditioner shall be installed in any window of any building located on any Lot, nor shall any air-conditioner be installed on any building located on any Lot so that the same protrudes through any exterior wall of such building.

w. Window Treatments. All window treatments visible from the outside of a Lot must be approved by the ARB. No bed sheets, towels, newspaper, tin foil, or similar materials may be used as window treatments.

x. Decorative Structures. No decorative items, including, but not limited to, planters, statues, birdbaths, lawn ornaments, artificial vegetation, figurines and fountains, may be installed in a location visible from outside a Lot without approval from the ARB.

y. All Terrain Vehicles, Motorcycles and Watercraft. Vehicles may be operated only on the streets, driveways and parking areas located in the Subdivision and must be operated in accordance with applicable laws, including, but not limited to laws regarding speed limits, registration and licensure. Except for landscape maintenance equipment operated in the customary manner for the purpose of landscape maintenance, no person may operate all terrain vehicles, motorcycles or other motorized vehicles on common areas or on other unpaved portions of the Subdivision. Watercraft may not be operated on or in the manmade lakes to be



constructed by Declarant in the Subdivision unless the Association enacts rules specifically allowing same.

z. *Golf Carts and Similar Vehicles.* Notwithstanding the restriction contained in the preceding section, golf carts and similar vehicles approved by the Association may be used in areas designed by the Association subject to rules adopted by the Association, which rules may include, but need not be limited to requirements that all golf carts be: (a) registered with the Association, (b) licensed by the State of North Carolina if required, (c) of a specified design (including engine size or design and tire size or design) or color and requirements or procedures related to applications for permits or approvals.

aa. *Water Bodies.* Only the Declarant and the Association shall have the right to pump or otherwise remove any water from any water body adjacent to, in or near the Subdivision or any Lot for the purpose of irrigation or other use. The Declarant and the Association shall have the sole and absolute right (but no obligation) to control the water level of such water bodies and to control the growth and eradication of plants, fowl, reptiles, animals, fish and fungi in or on any such water bodies. The Association shall have the right to adopt reasonable rules and regulations from time to time in connection with use of the surface waters of any water body in, adjacent to, or nearby the Subdivision.

bb. *No Subdivision of Lots.* No Lot may be further subdivided into any smaller Lot, and no more than one residence may be constructed on any Lot.

cc. *Fuel Storage Tanks.* All fuel storage tanks, including but not limited to liquid petroleum gas tanks, must be buried, screened or concealed so that they are not visible from any street or adjacent Lot. Installation of a fuel storage tank must be approved by the ARB in the manner set forth above.



dd. Fences. No fences are allowed unless the fence, including its location, style, materials and height, is approved by the ARB. As used herein, fences shall include walls, barricades, shrubbery or other impediments to reasonable mobility and visibility, and specifically include fences around swimming pools. Absent a showing of need by the Owner, and a finding by the ARB of lack of adverse impact on any adjoining Lot or Property, no fences shall be allowed along any back area adjacent to a water body. The ARB shall only approve the construction of a fence upon a determination that the fence is aesthetically pleasing, does not distract from the reasonable value of any Lot or other property, does not unreasonably impede the view of any water course or other attractive feature from any other Lot or Common Area, and is in compliance with fence guidelines. Chain link or wire fences on residential Lots are not allowed.

ee. Utility Connections. The utility connections for each Lot must be run underground from the proper connection point to the Lot. No overhead or above ground utilities are allowed.

ff. Access to Transformers and Fire Hydrants. No Owner may plant or install any vegetation or structure that might reasonably interfere with the use of any fire hydrant or electric transformer.

gg. Driveways. All driveways must be approved by the ARB and meet all Development Standards.



**ARTICLE V
INTERPRETATION**

In all cases, this Instrument shall be construed and interpreted in a manner which, in the opinion of the Declarant, the Association or the ARB, as the case may be, will best effect the intent of the general plan of development and maintenance herein set forth. Subject to the terms of this Article and only after the Declarant no longer owns any Lot, the Association may modify, cancel, limit, create exceptions to, or expand the restrictions contained herein and may create, modify and enforce reasonable rules governing the use of the Subdivision consistent with the law and with other provisions in this Instrument. The Association shall send notice to all Owners concerning any proposed action on restrictions or rules at least ten business days prior to the Association meeting at which such action is to be considered. For this purpose, notice may be sent to each Owner by U.S. mail, electronic telecommunication with confirmation of receipt, or publication in any community newsletter delivered or mailed to each Owner provided that such notice is clearly identified under a separate headline in the newsletter. Members shall have a reasonable opportunity to be heard at an Association meeting prior to such action being taken.

**ARTICLE VI
NO WAIVER OF FUTURE VIOLATIONS**

Failure to enforce any provision of this Instrument or any rules or other documents adopted pursuant hereto will not be deemed to constitute a waiver of the right to enforce the same or similar restrictions, covenants or conditions in the future.

**ARTICLE VII
CRAEBERNE FOREST PROPERTY OWNERS' ASSOCIATION, INC.**

Every person, partnership, firm, or corporation, upon acquiring fee simple title to any Lot in the Subdivision shall become a member of "Craeberne Forest Property Owners' Association.

Inc.," (hereinafter "**Association**"), a North Carolina non-profit corporation, and as long as such person, partnership, firm or corporation is the Owner of any such Lot, such Owner must remain a member of the Association and abide by the bylaws, rules and regulations thereof. Provided, however, that there shall be only one (1) regular membership per Lot regardless of the manner or number of names in which title to same may be held, provided further that for each Lot owned by Declarant, Declarant shall have two (2) regular memberships. Such membership is not intended to apply to those persons who hold an interest in any Lot merely as security for the performance of an obligation to pay money, e.g., mortgages and deeds of trust. In addition to the powers and authority conferred upon the Association by this Instrument, by the Association's Bylaws and Articles of Incorporation and by law, the Association shall have the following enumerated powers and authorities:

a. The Association may charge any user or member fees for the use of any amenities owned or operated by it, including charges for individual services or goods provided members through such facilities, provided no such charges or assessments shall be applicable to any Lot(s) owned by Declarant.

b. The Association may charge and levy assessments, dues or other fees to defray general administrative and other expenses incurred by the Association in performing its duties or incurred in exercising its powers and authorities, and such assessments, dues or other fees may be in the nature of periodic, recurring charges (i.e., annual, quarterly or monthly assessments or dues) or in the nature of special non-recurring charges (i.e., "special" assessments or dues levied for a specific, non-recurring event) provided no such charges or assessments shall be applicable to any Lot(s) owned by Declarant. In levying dues or assessments, the Association may allocate assessments, dues and others expenses equally among all Lots in the Subdivision to the extent any particular component thereof represents an expense that benefits all Lots in the Subdivision.



The Association may allocate assessments, dues and others expenses unequally among Lots in the Subdivision to the extent any particular component thereof represents an expense that benefits fewer than all Lots in the Subdivision or which benefits specific Lots exclusively.

**ARTICLE VIII
DESIGNATION OF EXCLUSIVE BUILDERS**

For so long as Declarant owns any Lot or Lots, Declarant is specifically authorized to designate and define a limited number of licensed North Carolina construction contractors authorized to construct dwellings and other improvements upon Lots or within the Subdivision, and to determine and impose the criteria for licensed construction contractors to qualify for such designation. Declarant may further limit the number of such qualified construction contractors. The purpose of this authorization is to enhance the likelihood that a good quality of construction will be maintained in a clean and sightly condition. A construction contractor designated as approved for residential construction within the Subdivision shall have its privileges to construct revoked upon a finding by Declarant that said construction contractor is not building an acceptable quality structure, is not successful in maintaining good customer relations, is failing to maintain its construction sites in a clean and sightly condition, is not pursuing construction diligently and completing construction promptly, or is violating any condition contained herein. Declarant shall maintain at all times a list of approved construction contractors, which shall be made available upon request to any Owner or prospective Owner, and each Owner by accepting title to a Lot agrees to utilize only an approved construction contractor. The right of designation *reserved* herein to Declarant may be transferable by the Declarant to the Association or the ARB at such time and upon such conditions deemed advisable to Declarant, in its discretion, and in any event at such time as the Declarant no longer owns any Lot, the ARB shall have the right to designate approved builders herein upon the same terms and



conditions as those initially reserved by Declarant in its favor. In acting hereunder, Declarant and/or the ARB shall at all times act in good faith and shall be presumed to have acted in good faith in any action hereunder. NO PRIMARY STRUCTURE MAY BE CONSTRUCTED BY THE OWNER OF A LOT UNLESS SAID OWNER HAS BEEN DESIGNATED AS AN APPROVED BUILDER IN ACCORDANCE WITH THIS SECTION.

**ARTICLE IX
RESERVATIONS IN FAVOR OF DECLARANT**

In addition to the foregoing, Declarant reserves, for itself, its successors and assigns, the right to make or construct any improvement or other feature shown upon any preliminary or final plat or survey of the Subdivision or any portion thereof, and to those ends Declarant hereby reserves, for itself, its successors and assigns, an easement across the Subdivision, all Common Areas and all Lots for the purpose of making or constructing any improvement or other feature shown upon any preliminary or final plat or survey of the Subdivision or any portion thereof.

**ARTICLE X
TIME**

This Instrument shall run with the land and shall be binding on all persons acquiring title to any of the aforementioned Lots, and shall be binding on said parties and/or persons claiming under them up to and including twenty (20) years from the date of recordation hereof, at which time this Instrument shall be automatically extended for successive periods of ten years, unless by written instrument executed by a majority of the then Owners of said Lots, duly recorded in the Office of the Register of Deeds of Craven County, it is agreed to change this Instrument in whole or in part.

ARTICLE XI

ENFORCEMENT

In addition to other rights or remedies provided in this Instrument, in the Association's bylaws or articles of incorporation or by law, enforcement of violations of this instrument shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenants either to restrain violation or to recover damages. In addition, the ARB or the Association, as the case may be, may impose fines against any Owner of any Lot violating any provision of this Instrument, the bylaws or articles of incorporation of the Association or any rules or regulations promulgated by the Association or the ARB or may suspend the privileges of any such Lot Owner from utilizing any of the Common Areas of the Subdivision until the violation or delinquency is cured. The Lot Owner against whom a fine or suspension is contemplated shall be given written notice of the violation, an opportunity to be heard and to present evidence, and written notice of any final decision. If the Association or ARB, as the case may, imposes a fine, the amount thereof shall not exceed one hundred dollars (\$100.00) per day for the duration of the existence of the violation, provided that upon the imposition of any fine hereunder the Lot Owner shall have five (5) calendar days from the date of the imposition of the fine to remedy or cure the violation. All fines imposed hereunder shall be collected in the same manner as unpaid dues or unpaid assessments set by the Association, and until paid shall be a lien against the Lot so fined. If the Association or ARB, as the case may, imposes a suspension of the privileges of any such Lot Owner from utilizing any of the Common Areas of the Subdivision, the suspension shall be in effect until the violation or delinquency is cured. In the case of decisions hereunder by the ARB, any fined or suspended Lot Owner may appeal such decision within fifteen (15) days to the Board of Directors of the Association. The Board of Directors of the Association may affirm, vacate, or modify the prior decision of the ARB.

**ARTICLE XII
SEVERABILITY**

Invalidation of any one of these covenants by judgment or Court Order shall in no way affect any of the other restrictions which shall remain in full force and effect.

**ARTICLE XIII
COMPLIANCE WITH GOVERNMENTAL REGULATIONS**

a. Stormwater Permits. In addition to other permits issued, the State of North Carolina will from time to time issue stormwater management permits to or on behalf of Declarant. The stormwater permits, which are issued and enforced by the North Carolina Department of Environmental Health and Natural Resources ("DEHNR"), will impose requirements on Lots, including a limitation on the impervious surface allowed on each Lot, and such limitations will be furnished by Declarant upon request from any Owner. Such requirements shall be binding on the Owners of all Lots mentioned therein. All Lot Owners and all Persons owning land made subject to any storm water management permits shall fully comply with all of the terms, provisions and conditions of any such issued permits. Without limiting the generality of the foregoing, the allowable built-upon area shall not exceed the square footage listed in the stormwater permits, inclusive of that portion of the right-of-way between the front lot line and the edge of the pavement, structures, pavement, walkways of brick, stone, slate, not including wood decking. The definition of impervious surfaces for purposes of interpretation of stormwater permits is determined from time to time by DEHNR, but generally includes the use of any surface area that has a substantial impact on the ability of such surface to percolate rainwater, and includes areas under roof, driveways, walkways and other hardened surfaces, including designated parking areas, but does not generally include wood decking. Impervious surfaces also



generally include that portion of a driveway or entranceway leading from a public street to a Lot, including that portion thereof on the adjacent public right-of-way.

Stormwater regulations prohibit filling in or piping of any vegetated conveyances (ditches, swells, etc.) associated with development of the Subdivision, with the exception of average driveway crossings, unless otherwise specifically authorized by such permit. Therefore, no Owner shall fill or pipe any vegetated conveyance, unless expressly authorized by any permit issued by the State of North Carolina, and approved by the ARB.

The foregoing restrictions related to stormwater management may not be changed or deleted from this Instrument without the approval of the State of North Carolina.

b. General Permits. In order to develop the Subdivision, Declarant or its assigns may procure, or has procured, permits from Craven County, the State of North Carolina, the United States, or all or some of the foregoing. Declarant, the Association and all Owners, as well as any and all other persons benefited by said permits, shall, at all times, use due diligence and good faith to comply with all conditions imposed by such permits. Should at any time any of such parties be determined to be in non-compliance with any permit, said person shall immediately use good faith and due diligence to take action to come into compliance with the conditions imposed by said permit. From time to time, as Declarant completes development of the Subdivision, Declarant may request of the permitting agency that issued permits to it, or on its behalf, that such permits be transferred and assigned to the Association. The Association shall, to the extent allowed by law, accept the transfer and assignment of said permits, agree to be bound by all of the provisions and conditions contained therein, and shall execute any documents of assignment or acceptance required by the permitting agency.

c. Enforcement. The State of North Carolina is hereby given specific authority to enforce this Instrument, and all conditions imposed by any permit issued by it, to the extent

necessary to cause compliance with the impervious surface limitations or other conditions imposed by the State of North Carolina as set out in any stormwater permit issued by the State of North Carolina. The remedies available to the State of North Carolina include, without limitation, the remedy of specific performance. None of the impervious surface limitations imposed by permit may be altered without the prior approval of the State of North Carolina.

d. Limitations on Further Permitting. In order to procure permits for the development of the Subdivision, agencies may impose limitations on the further issuance of permits to Owners. By accepting ownership of a Lot, or other land within the Subdivision made subject to this instrument, said Owner agrees, to the extent required by any agency, to forego the opportunity to be issued individual permits for utilization of water bodies, wetlands or stream buffer zones.

e. Binding Effect. All permits issued shall be binding upon the heirs, successors and assigns of the Owner of the land burdened thereby regardless of whether any permits have been formally assigned or transferred to such Owner. In addition, this Instrument may be amended by Declarant at any time to bring any provision hereof into compliance with any permit issued to Declarant for the Subdivision.

f. Environmental Regulations. In addition to the restrictions contained in this Instrument, the Association, each Owner, any tenant or guest must comply with all laws, ordinances, rules and regulations related to the Property. Without limiting the generality of the foregoing, compliance with the following, among other laws, is required:

(i) The State of North Carolina has adopted riparian buffer protection rules for the Neuse River Basin. These rules aid in the removal of nitrogen, phosphorus, and other pollutants from rainwater that flows into the basins' waterways, protecting the waterways from surrounding land use. Generally these rules require a landowner to leave a fifty-foot vegetated



waterside buffer limiting and restricting the removal or thinning of vegetation in areas adjacent to water courses within the Property. Every Owner should investigate fully and shall comply at all times with all laws and rules of the State of North Carolina, and shall perform no clearing or thinning activities within 50 feet of the edge of coastal vegetation (as defined in the applicable regulations) except to the extent such clearing or thinning activities are allowed by the State of North Carolina and the ARB. Furthermore, there shall be no structure constructed within said restricted area, including within the water course, without issuance of a permit by the State of North Carolina, if required, and without approval by the ARB.

(ii) The United States Clean Water Act gives the United States Army Corps of Engineers jurisdiction over wetlands within the Subdivision. All land-disturbing activity and construction must comply with the Clean Water Act and the rules promulgated in connection with the act. Without limiting the generality of the foregoing, before any land-disturbing activity begins, wetlands in the area must be delineated and permits must be obtained from the Army Corps of Engineers, other agencies with jurisdiction and approval from the ARB must be obtained. Activities which require approval and permits are defined in the Clean Water Act and the regulations, those activities may include, but may not be limited to grading, dredging, excavation, fill, ditching, diversion, damming or other activity which alters or destroys water bodies or wetlands. The ARB will authorize such action only on a showing of a compelling need for the landowner to take such action and conditioned on the landowner's acquisition of all permits. Declarant reserves the right to subject any property in the Subdivision owned by it to such further and other covenants, conditions or restrictions which may be required by the Army Corps of Engineers to protect or conserve wetlands located within the Subdivision.

The foregoing list of laws is not exhaustive. Numerous regulations apply to the Subdivision. Neither the Association, the Declarant nor the ARB has or will undertake to advise



Owners about such laws and regulations. EVERY OWNER IS PERSONALLY RESPONSIBLE FOR IDENTIFYING ALL LAWS AND REGULATIONS THAT RELATE TO THE ACTIVITIES OF THE OWNER AND TENANTS AND GUESTS OF THE OWNER ON EVERY LOT OWNED BY THE OWNER.

**ARTICLE XIV
AMENDMENTS TO COVENANTS**

a. By Declarant. In addition to specific amendment rights granted elsewhere in this Instrument, for so long as the Declarant owns any Lot, Declarant may unilaterally amend this Instrument for any purpose. Thereafter, Declarant may unilaterally amend this Instrument if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, permit, or judicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on the Lots (c) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on the Lots; (d) to correct any scrivener's errors, to clarify the intent of any provision, or to resolve any actual or apparent inconsistencies between provisions; or (e) to satisfy the requirements of any local, state, or federal governmental agency. However, any such amendment shall not adversely affect the title to any Lot unless the Owner thereof shall consent in writing.

b. By Members. Except as otherwise specifically provided above and elsewhere in this Instrument, this Instrument may be amended only by the affirmative vote or written consent, or any combination thereof, of 67% of Owners of Lots in the Subdivision, and Declarant's consent, so long as Declarant owns any Lot.

**ARTICLE XV
VARIANCES**

The ARB in its discretion may allow reasonable variances and adjustments of this Instrument in order to alleviate the practical difficulties and hardship in their enforcement and operation. Any such variances shall not violate the spirit and intent of this instrument to create a subdivision of lots owned in fee by various persons with each such Owner having an easement upon areas owned by the Association, if any. No variance or adjustment will be permitted if such would be materially detrimental or injurious to the welfare of the other Property and improvements in the subdivision. To be effective, a variance or adjustment hereunder shall be written, executed by or on behalf of the ARB, shall be recorded in the Office of the Register of Deeds of Craven County, and shall refer specifically to the authority granted under this Section XV.

**ARTICLE XVI
ANNEXATION OF ADDITIONAL PROPERTY**

The Declarant may, at any time, and from time to time, subject all or part of any real property adjacent or in close proximity to the Subdivision to the terms, covenants and restrictions of this Instrument by executing and recording with the Register of Deeds of Craven County an amendment to this Instrument describing the property being annexed.

From and after such recording, the annexed property shall be held, transferred, sold conveyed, used, leased, occupied, mortgaged or otherwise encumbered subject to all of the terms, covenants and restrictions of this Instrument and the Association's Articles of Incorporation and Bylaws, including, without limitation, all lien and assessment provisions set forth therein, and all of the terms, provisions, liens, charges, easements, covenants and restrictions set forth therein shall be a permanent charge on, and shall run with, such annexed property.

In addition to the controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens set forth in this Instrument, Declarant shall further have the right at its election, without the consent of the Association, the ARB or any Owner or Owners, to subject any such annexed property to additional or different controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens as may be set forth in any amendment recorded hereunder for the purpose of adding real property to the Subdivision. The Association shall have the right and authority to enforce all controls, covenants, conditions, restrictions, easements, and developments contained in such amendment. Any such amendment may supplement, may create exceptions to, may create new rights or obligations as between the Owners in any annexed property as to other Owners or the Association or may otherwise modify the terms of this Instrument as it applies to the annexed property in order to reflect the different character and intended use of such additional property.

No approval from the Association, the ARB, any Owner or from anyone else whomsoever, shall be required for the Declarant to subject additional property to this Instrument.

IN TESTIMONY WHEREOF, P & J OF NEW BERN, LLC, has executed this document in such form as to be binding and to subject its respective Lots to the provisions of this Instrument; and **BB&T COLLATERAL SERVICE CORPORATION** and **BRANCH BANKING AND TRUST COMPANY** have executed this instrument solely for the purpose of indicating their consent as lien holders under that certain Deed of Trust recorded in Book 2690, Page 589 in the Office of the Register of Deeds of Craven County, North Carolina, all this the day and year first above written.



P & J OF NEW BERN, LLC

By: Patrick O. McCullough
Patrick O. McCullough, Manager

By: James M. Stallings, Jr.
James M. Stallings, Jr., Manager

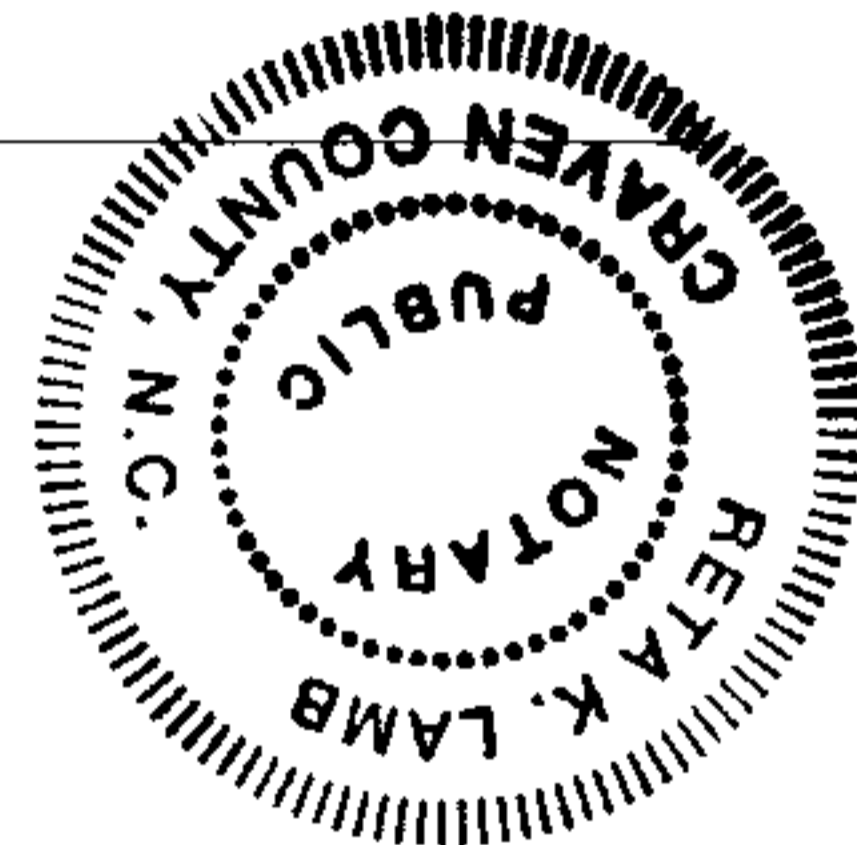
NORTH CAROLINA
CRAVEN COUNTY

I, Reta K. Lamb, a Notary Public of the aforesaid County and State do hereby certify that Patrick O. McCullough, Manager of P & J OF NEW BERN, LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

WITNESS my hand and notarial seal this 10th day of December, 2008.

[Signature]
NOTARY PUBLIC

My Commission Expires: 5/23/09





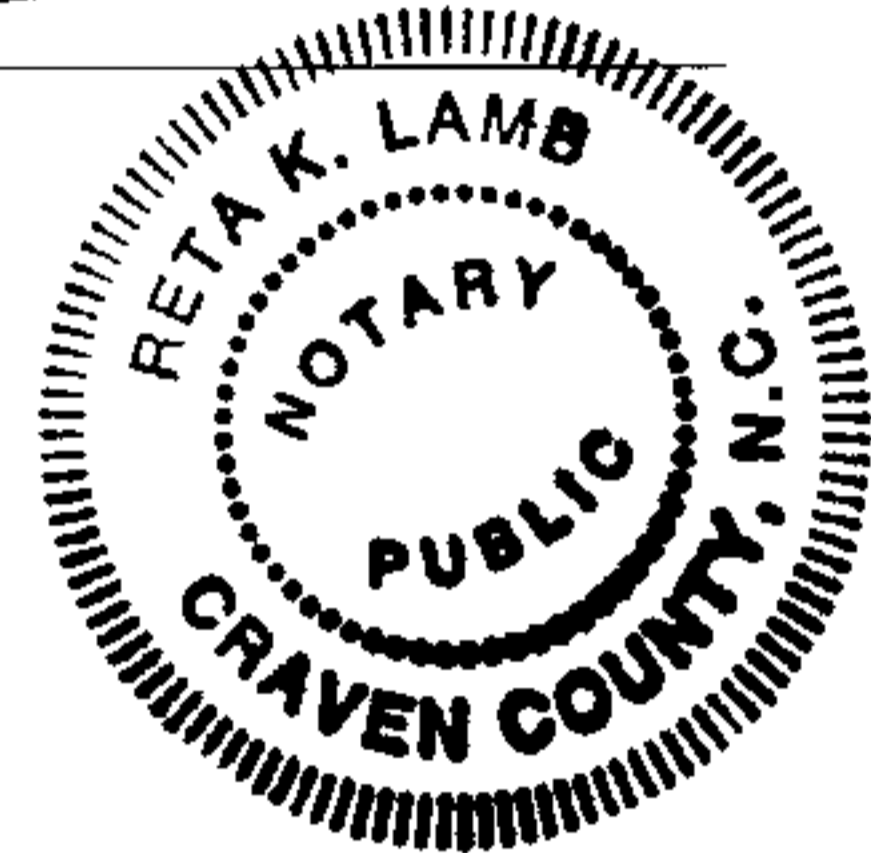
NORTH CAROLINA
CRAVEN COUNTY

I, Reta K. Lamb, a Notary Public of the aforesaid County and State do hereby certify that James M. Stallings, Jr., Manager of P & J OF NEW BERN, LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

WITNESS my hand and notarial seal this 10th day of December, 2008.


NOTARY PUBLIC

My Commission Expires: 5/23/09





BB&T COLLATERAL SERVICE CORPORATION

BY: *Linn Gorman* (SEAL)
Linn PRESIDENT

ATTEST:

Kathy M. Weidle
ASST SECRETARY

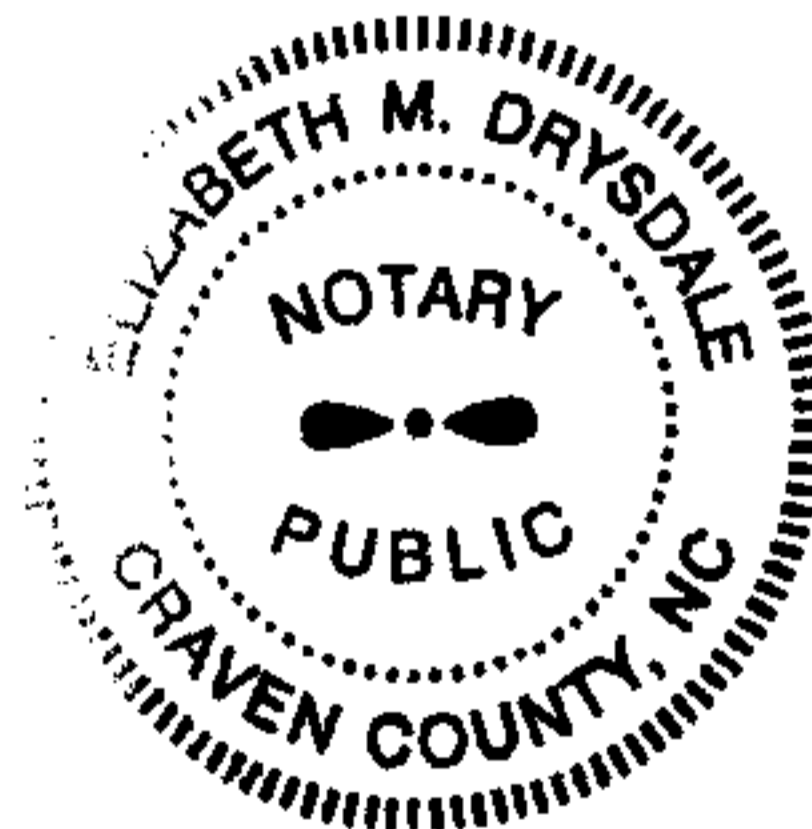
NORTH CAROLINA
CRAVEN COUNTY

I, *Elizabeth M Drysdale*, a Notary Public of the aforesaid County and State, do hereby certify that *Ann Conrad* ^{*also KATHY M Weidle*} personally appeared before me this *9* day and acknowledged that *9* he is the *ASST* Secretary of BB&T COLLATERAL SERVICE CORPORATION, a corporation, 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, sealed with its corporate seal, and attested by *herself* as its *ASST* Secretary.

WITNESS my hand and notarial seal, this *9th* day of December, 2008.

Elizabeth M Drysdale
NOTARY PUBLIC

My Commission Expires: *May 26, 2013*



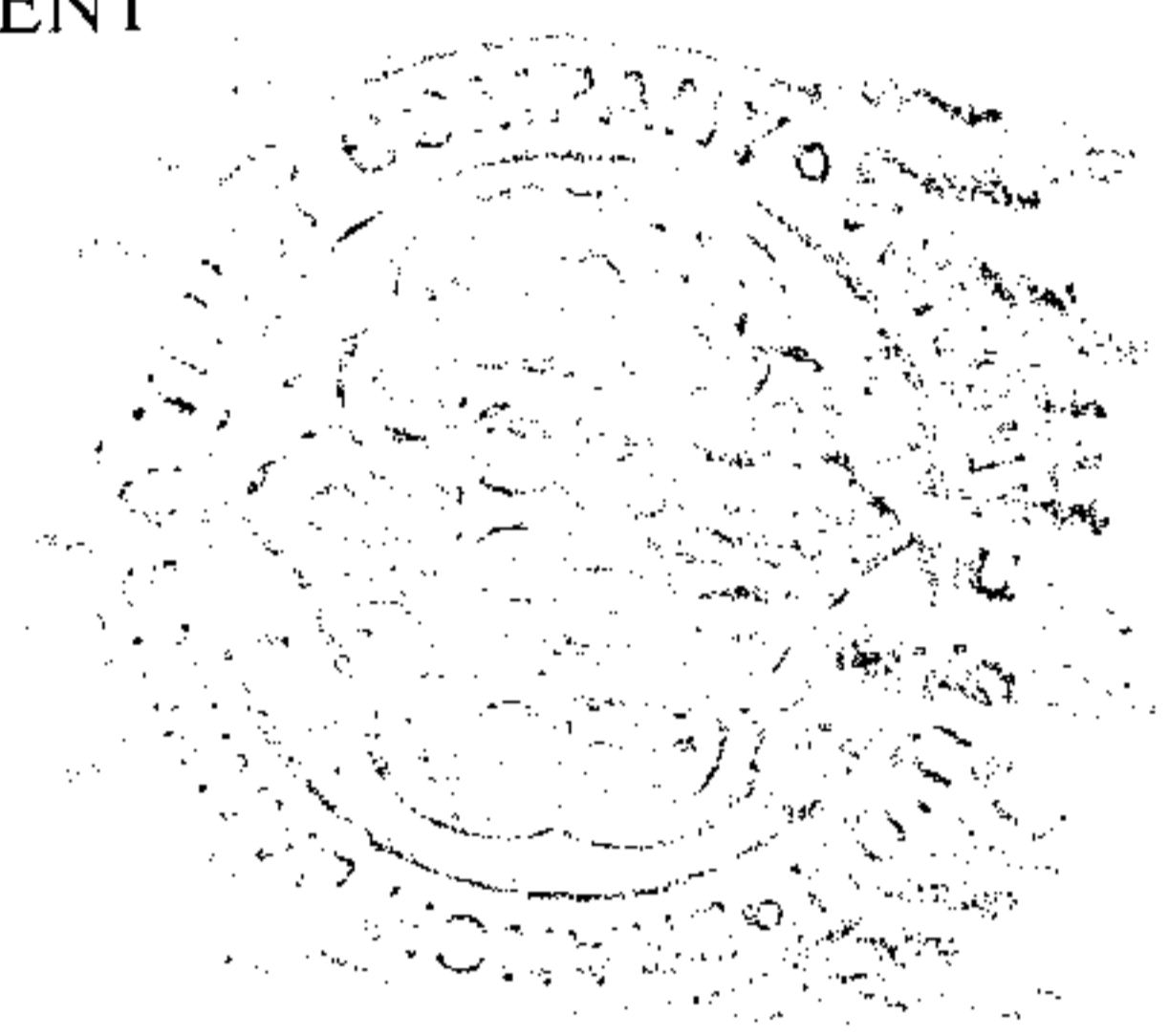


BRANCH BANKING AND TRUST COMPANY

BY: Elan B Chanter (SEAL)
Asst. Vice PRESIDENT

ATTEST:

Kathy M Wead
ASST SECRETARY



NORTH CAROLINA
CRAVEN COUNTY

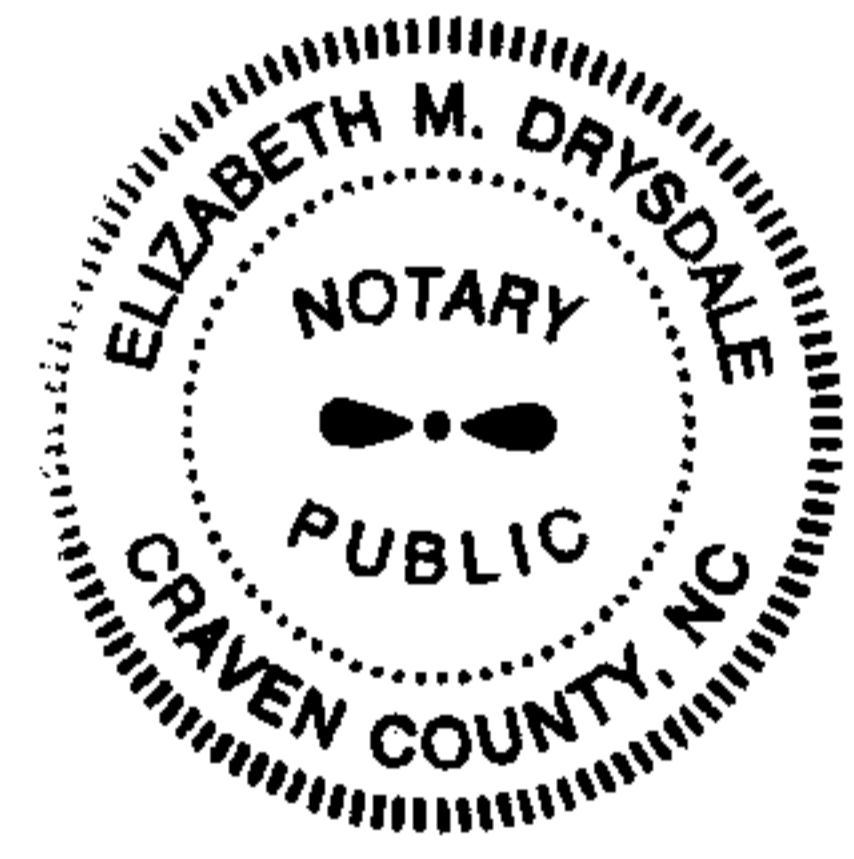
I, Elizabeth M Drysdale, a Notary Public of the aforesaid County and State, do hereby certify that Kathy M Wead personally appeared before me this 9 day and acknowledged that she is the ASST Secretary of BRANCH BANKING AND TRUST COMPANY, a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its ASST VICE President, sealed with its corporate seal, and attested by herself as its ASST Secretary.

WITNESS my hand and notarial seal, this 09th day of December, 2008.

Elizabeth M Drysdale
NOTARY PUBLIC

My Commission Expires: May 26, 2013

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STATE OF NORTH CAROLINA
MINERAL AND OIL AND GAS RIGHTS MANDATORY DISCLOSURE STATEMENT

Instructions to Property Owners

- The Residential Property Disclosure Act (G.S. 47E) ("Disclosure Act") requires owners of certain residential real estate such as single-family homes, individual condominiums, townhouses, and the like, and buildings with up to four dwelling units, to furnish purchasers a Mineral and Oil and Gas Rights Disclosure Statement ("Disclosure Statement"). This form is the only one approved for this purpose.
- A disclosure statement is not required for some transactions. For a complete list of exemptions, see G.S. 47E-2(a). **A DISCLOSURE STATEMENT IS REQUIRED FOR THE TRANSFERS IDENTIFIED IN G.S. 47E-2(b)**, including transfers involving the first sale of a dwelling never inhabited, lease with option to purchase contracts where the lessee occupies or intends to occupy the dwelling, and transfers between parties when both parties agree not to provide the Residential Property and Owner's Association Disclosure Statement.
- You must respond to each of the following by placing a check in the appropriate box.

MINERAL AND OIL AND GAS RIGHTS DISCLOSURE

Mineral rights and/or oil and gas rights can be severed from the title to real property by conveyance (deed) of the mineral rights and/or oil and gas rights from the owner or by reservation of the mineral rights and/or oil and gas rights by the owner. If mineral rights and/or oil and gas rights are or will be severed from the property, the owner of those rights may have the perpetual right to drill, mine, explore, and remove any of the subsurface mineral and/or oil or gas resources on or from the property either directly from the surface of the property or from a nearby location. With regard to the severance of mineral rights and/or oil and gas rights, Seller makes the following disclosures:

	Yes	No	No Representation
<input type="checkbox"/> Buyer Initials 1. Mineral rights were severed from the property by a previous owner.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Buyer Initials 2. Seller has severed the mineral rights from the property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<input type="checkbox"/> Buyer Initials 3. Seller intends to sever the mineral rights from the property prior to transfer of title to the Buyer.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<input type="checkbox"/> Buyer Initials 4. Oil and gas rights were severed from the property by a previous owner.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Buyer Initials 5. Seller has severed the oil and gas rights from the property.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<input type="checkbox"/> Buyer Initials 6. Seller intends to sever the oil and gas rights from the property prior to transfer of title to Buyer.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Note to Purchasers

If the owner does not give you a Mineral and Oil and Gas Rights Disclosure Statement by the time you make your offer to purchase the property, or exercise an option to purchase the property pursuant to a lease with an option to purchase, you may under certain conditions cancel any resulting contract without penalty to you as the purchaser. To cancel the contract, you must personally deliver or mail written notice of your decision to cancel to the owner or the owner's agent within three calendar days following your receipt of this Disclosure Statement, or three calendar days following the date of the contract, whichever occurs first. However, in no event does the Disclosure Act permit you to cancel a contract after settlement of the transaction or (in the case of a sale or exchange) after you have occupied the property, whichever occurs first.

Property Address: 102 Bandon Drive, New Bern, NC 28562

Owner's Name(s): Albert J. Yellig

Owner(s) acknowledge having examined this Disclosure Statement before signing and that all information is true and correct as of the date signed.

Owner Signature: Date _____

Owner Signature: *Albert Yellig* Date *6/23/25*

Purchaser(s) acknowledge receipt of a copy of this Disclosure Statement; that they have examined it before signing; that they understand that this is not a warranty by owner or owner's agent; and that the representations are made by the owner and not the owner's agent(s) or subagent(s).

Purchaser Signature: Date _____

Purchaser Signature: Date _____

US HWY 70 & Future I-42 Disclosure



U.S. 70 between Raleigh and Morehead City plays important roles, including being a primary hurricane evacuation route as well as being a major corridor for freight transport. Future Interstate 42 generally follows the U.S. 70 corridor southeasterly, connecting Garner, Clayton, Smithfield, Selma, Goldsboro, Kinston, New Bern and Havelock with the Port of Morehead City.

I-42 will begin at the current systems interchange with I-40 near Garner and follow U.S. 70 southeast toward Smithfield, Selma and I-95. Near Goldsboro, I-42 will overtake the U.S. 70 Bypass around the north side of the city. **A new bypass will carry I-42 around the south side of Kinston, connecting with the existing controlled-access and freeway portions east to New Bern. Southeast of New Bern, Future I-42 will follow another new bypass to the west of Havelock. Ultimately I-42 will end near the Port of Morehead City.**

By signing this disclosure, Buyer and Seller Acknowledge they have been informed about pending road construction that will be taking place in New Bern, Havelock and James City areas of Craven County NC. Buyer and Seller further acknowledge that said construction may result in lane closings, detours, and traffic delays.

Date _____

Date 6/25/25

Buyer

Seller

Buyer

Seller

FOR MORE INFORMATION: ncdot.gov/projects/us-70-james-city

FLOOD DISCLOSURE
(This supplements the NC Residential Property Disclosure)

“Seller”: Albert J. Yellig

“Buyer”: _____

“Property”: 102 Bandon Drive, New Bern, NC 28562

The Seller of the Property represents to the Buyer as follows:
(initial appropriate paragraph):

The Property has sustained flood damage.

The Seller has no knowledge of past flooding for the Property.

The Seller makes no representation as to whether the Property has flooded.

Albert J. Yellig Date: 6/23/25
Seller

Seller Date: _____

Buyer Date: _____

Buyer Date: _____

AGENT'S NOTICE TO PROSPECTIVE BUYER

The Prospective Buyer of Property hereby acknowledges receipt of this Notice:

1. The Property may have sustained flood damage as a result of past hurricanes.
2. An owner of a property that is deemed to be "substantially damaged" under National Flood Insurance Program standards may be required to bring structures on the Property into compliance with current local floodplain management regulations. These regulations may require the owner to do one of the following:
 - a. Elevate their structures (including the home, residence, garage, etc.), or change them in some other way to comply with those local floodplain regulations and avoid future losses;
 - b. Relocate or demolish the structure; or,
 - c. Flood-proof a non-residential structure.
3. Buyer is advised to check with local building officials during Buyer's Due Diligence Period to determine whether the property has been "substantially damaged" and to determine which permits for repairs will be required before beginning repair work. Buyer should also seek estimates for the costs of repairs and costs to comply with the regulations prior to the expiration of the Due Diligence Period.
4. A property that has been damaged by a hurricane may have sustained damage which may not be apparent. Buyer should have the property inspected by a licensed inspector for a determination as to whether or not any hazardous conditions are present during the Due Diligence Period and before closing on the Property.
5. Any septic systems or wells should be inspected and analyzed during the Due Diligence Period and prior to being used.
6. The standard form 2-T Offer to Purchase and Contract states that: "THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION" unless the Buyer and Seller agree in writing for repairs or improvements to be made to the Property.
7. This Notice is not exhaustive of all financial and/or health risks associated with purchasing a property damaged by a flood, and Buyer accepts responsibility for any and all loss or damages associated with the purchase of the Property.

Date: Date: _____
Buyer Buyer