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Nash County North Carolina
Anne J. Melvin Register of Deeds

BK 3016 PG 650-662

This Instrument Prepared By & Return To:
WILL H. LASSITER III
LASSITER & SPERATI, PLLC
P.O. Box 4307
ROCKY MOUNT, N.C. 27803

NORTH CAROLINA
NASH COUNTY

DECLARATION OF PROTECTIVE COVENANTS

THIS DECLARATION is made by Ingram Construction Company of Rocky Mount, LLC, a North Carolina limited liability company, with its principal place of business in the City of Rocky Mount, Nash County, North Carolina ("Declarant");

WITNESSETH:

WHEREAS, the Declarant is the Owner of certain property known as Stonewall Villas Phase I, Rocky Mount, Nash County, North Carolina, which is more particularly described on a plat recorded in Map Book 42 Pages 49 and 50 Nash County Registry (the "Subdivision");

WHEREAS, Declarant desires to provide for the preservation, enhancement, and maintenance of the Subdivision and the community; and to this end desires to subject the Subdivision to the covenants, restrictions, easements, charges, and liens hereinafter set forth; and

WHEREAS, Declarant deems it desirable to create an agency to which should be delegated and assigned the powers of owning, operating, maintaining, administrating, and enforcing the covenants and restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety, and welfare of the residents; and

WHEREAS, Declarant has incorporated under the laws of the State of North Carolina the Stonewall Villas Owners Association, Inc. as a non-profit corporation for the purpose of exercising these functions, among others;

NOW THEREFORE, Declarant hereby declares that the Subdivision shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which shall run with the property, be binding on all parties having any right, title or interest in the Subdivision or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I.
DEFINITIONS.

SECTION 1. "ARTICLES OF INCORPORATION" refers to the Articles of Incorporation of the Association.

SECTION 2. "ASSOCIATION" refers to the Stonewall Villas Owners Association, Inc., a North Carolina non-profit Corporation, its successors and assigns.

SECTION 3. "BOARD" refers to those persons elected or appointed to act collectively as the directors of the Association.

SECTION 4. "ARCHITECTURAL CONTROL COMMITTEE" ("ACC") refers to the committee or committees charged with approving any (1) new construction, or (2) improvement to existing structures, in the Subdivision.

SECTION 5. "BYLAWS" refers to the bylaws of the Association.

SECTION 6. "BOOK OF RESOLUTIONS" refers to the document containing rules, regulations and policies adopted by the Board.

SECTION 7. "DECLARANT" refers to Ingram Construction Company of Rocky Mount, LLC its successors and assigns.

SECTION 8. "OWNER" refers to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation. Each Owner shall deliver to the office of the Association as evidence of its membership a copy of its recorded deed for a Lot.

SECTION 9. "MEMBER" refers to every person or entity entitled to membership in the Association as provided in this Declaration and the Bylaws.

SECTION 10. "LOT" shall mean and refer to the residential building plots regardless of size as shown on the recorded map of the Subdivision.

SECTION 11. "IMPROVEMENT" refers to all structures and improvements to structures or Lots and any new exterior construction or improvement.

SECTION 12. "COMMON AREAS" refers to all real property within the Subdivision, whether natural or man-made, intended for the common use and enjoyment of all Members, owned by the Association or designated on the Subdivision plat as Common Areas.

ARTICLE II
COMMON AREAS OWNERSHIP AND MAINTENANCE.

SECTION 1. OWNER'S EASEMENTS OF ENJOYMENT. Every Owner shall have a right of ingress to and egress from the Common Areas together with a right of enjoyment in and to the Common Areas which rights shall be appurtenant to and shall pass with the title to every Lot.

SECTION 2. DELEGATION OF USE. Any Owner may delegate his rights of enjoyment of the Common Areas to members of his family, tenants, and household guests.

SECTION 3. RULES AND REGULATIONS. The Board shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Areas.

Such rules and regulations, along with all policy resolutions and policy actions taken by the Board, shall be recorded in a Book of Resolutions, which shall be maintained at the office of the Association and available to Members for inspection during normal business hours.

The Board shall have the power to suspend the voting rights and right to use of any Common Areas of any Owner or any person to whom that Owner has delegated his right of enjoyment (i) for any period during which any assessment against his Lot remains unpaid, and (ii) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

SECTION 4. MORTGAGING COMMON AREAS. The Board shall have the power to borrow money for the purpose of improving any Common Areas and pursuant thereto to subject the Common Areas or any portion thereof owned by the Association to a mortgage or deed of trust without the consent of Members.

SECTION 5. COMMON AREAS DEDICATION OR TRANSFER. The Board shall have the right to dedicate or transfer all or any parts of the Common Areas that the Association owns to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Board without the consent of Members.

SECTION 6. TITLE TO COMMON AREAS. The Declarant hereby covenants for itself, its successors and assigns, that it will, at a time Declarant deems appropriate, convey to the Association fee simple title to the property designated as Common Areas in the recorded Subdivision plat, subject to easements of record for utilities, drainage, access or other services. The Association shall accept the conveyance of all such Common Areas pursuant to this section.

ARTICLE III.
LAND USE.

SECTION 1. RESTRICTIONS. Each Lot and the facilities on the Common Areas shall be subject to the restrictions herein, those set forth in the Bylaws or resolutions of the Board, and those set forth in any additions, amendments or supplements to this Declaration.

SECTION 2. DESIGNATED RESIDENTIAL PROPERTY RESTRICTIONS. All Lots shall be used, improved and devoted exclusively to single family residential use, with one single family residence not to exceed two (2) stories in height, all subject to approval by the ACC. No outbuildings will be allowed on a Lot without the prior express approval of the ACC, and must conform with the style, materials and colors of the dwelling on the Lot. Garages for not more than two (2) vehicles must be attached to the residence and equipped with automatic door closers and must remain closed except when in use.

SECTION 3. COMMON AREA RESTRICTION. All Common Areas and amenities shall be used, improved and devoted to and for the benefit of the Owners.

SECTION 4. COMMON AREAS CONSTRUCTION OR ALTERATION. No person shall undertake, cause, or allow any alteration or construction in or upon any portion of the Common Areas except at the direction of and with the express written consent of the Board.

SECTION 5. OFFENSIVE USE, NOXIOUS OFFENSIVE ACTIVITY. No immoral, improper, offensive, or unlawful use, nor any noxious or offensive activity (as so deemed by the Board) shall be carried on or maintained upon any Lot, Common Area, nor shall anything be done thereon which the Board determines is or may become an annoyance or a nuisance to any Owner.

SECTION 6. BUILDING SETBACK, ETC. No building or other improvements shall be constructed or located on any Lot otherwise than in compliance with applicable local regulations, laws and ordinances including, without limitation, front, side and rear setback requirements. Any violation of the applicable front, side and rear setback line requirements by less than 10% of the minimum distance shall be deemed waived upon recording in the Nash County Registry of an instrument executed by Declarant, or its successors or assigns.

SECTION 7. ON AND OFF LOT PARKING. The Board shall regulate the parking of boats, campers, trailers, and other such items. No automobiles, trucks, tractors, boats, campers, or trailers shall be parked within the right-of-way of any street in the Subdivision or within the Common Areas unless permitted by the Board. No truck in excess of one ton may be parked on a Lot, and no vehicles shall be parked in the yards of Lots, except on paved sections, nor shall any vehicle be displayed as being "for sale." Boats, tractors, trailers, campers, and other such vehicles shall not be parked on a Lot in an area visible to view from any street in the Subdivision.

SECTION 8. MODULAR STRUCTURES. No mobile or modular home or other mobile or modular structure shall be constructed or placed on a Lot.

SECTION 9. FENCES. All fences shall be of composite, masonry or wrought iron construction or other material approved by the ACC and located to the rear of the residence on a lot. No portion of a fence shall extend pass the rear of the residence on a Lot.

SECTION 10. EXTERIORS. The exterior of dwellings, buildings, improvements, walls and fences located on a Lot shall be maintained in a good state of repair by the Owner. Maintenance shall include painting, necessary repairs and replacement, and care of roofs, gutters, down spouts, exterior building surfaces, walks, and other exterior improvements. If for any reason an Owner fails to provide such exterior maintenance the Association shall have the right (but not an obligation) to perform such exterior maintenance, and the cost of the same together with a surcharge of 15% for administrative expenses shall be assessed against the Lot Owner. The Owner of each Lot grants to the Association an easement over its Lot for said purpose.

SECTION 11. LOT MAINTENANCE, ETC. The Association shall perform all lawn maintenance on the Lots and keep the Lots free of tall grass, weeds, undergrowth, dead trees, trash and rubbish so as

to present a pleasing appearance. The Owner of each Lot grants to the Association an easement over its Lot for the purpose of performing such maintenance.

SECTION 12. RESUBDIVISION. No Lot or combination of Lots shall be subdivided so as to produce a greater number of Lots, and no dwelling may be located on any resubdivided Lot unless all provisions of this Declaration are satisfied.

SECTION 13. TRASH RECEPTACLES. Each Owner shall provide and keep receptacles for garbage. All receptacles, cans, carts and bags must not be kept in any area visible from any street, except on garbage pick-up days. All receptacles and other equipment for trash or waste material disposal shall be kept in a clean and sanitary condition.

SECTION 14. ANIMALS. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot; except that dogs, cats and other animals generally considered household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose and are not dangerous by nature. Household pets are to be kept under control at all times, and must not become a nuisance by running loose, barking, or other acts.

SECTION 15. SATELLITE DISHES, ETC. No satellite dishes, exterior antennas, or towers may be installed without prior written approval from the ACC, and in no event shall be installed in a location visible from the streets in the Subdivision.

SECTION 16. CLOTHESLINES, POOLS. No clotheslines or above ground pools may be installed on a Lot. An in ground pool may be approved by the ACC with all pool equipment hidden from street view with approved screening

SECTION 17. MAILBOXES. Each Lot or dwelling unit shall have only one (1) mailbox. All such boxes must be consistent with the design, color, and materials used in the dwelling on the Lot, and will be provided by the ACC at the owner's cost. All mailboxes, mailbox posts, and newspaper boxes shall be maintained in good condition by the Owner.

SECTION 18. DRIVEWAYS. All driveways must be paved with concrete, brick or a similar hard surface material as approved by the ACC.

SECTION 19. EXTERIOR LIGHTS. Exterior lights, flood lights, etc. must be placed in a location and at an angle so as to not shine directly on another Owner's Lot or residence or to prevent another Owner's enjoyment of the darkness. Only white bulbs may be used in exterior light fixtures, including decorative lights.

SECTION 20. SIGNS ON PROPERTY. No more than two signs will be allowed on any Lot without obtaining written permission from Declarant. Such signs can only display the names of a builder, or the architect of the dwelling unit being constructed thereon, or advertising the property as being for sale. No subcontractors' signs may be placed on the Properties. Signs must be free standing and not nailed to trees. All signs must be in "like new" condition and not bent, worn or weathered. No "lead in" signs are allowed

except those installed by Declarant. Declarant and the Board reserve the right to remove all signs that do not conform with this Requirement.

SECTION 21: MINIMUM SQUARE FOOTAGE. Any dwelling constructed on a Lot shall contain not less than 1700 square feet of heated, finished space. Provided however, the ACC in its sole discretion may approve variances in the heated finished heated space of 10% or less.

SECTION 22: RULES REGARDING CONSTRUCTION. Owners are responsible for monitoring their contractors, employees, and subcontractors and employees who make improvements to an Owner's Lot, including, but not limited to, the following:

(A) Construction debris must be stored neatly in a confined area on the Lot. The Lot is to be policed and cleaned daily during construction, and upon completion of construction all debris is to be removed from the Lot.

(B) Erosion/silt fences must be installed to prevent any runoff during construction which may reach any body of water on or adjacent to the Subdivision.

(C) Once construction of Improvements on a Lot has commenced the work will be continuous and the exterior of the dwelling completed within six (6) months, delays beyond the control of the Owner and contractor such as weather and acts of God being excepted.

(D) During construction the contractor, subcontractors, and their employees are not to use obscene or inappropriate language, and radios, stereos, etc are to be kept at a reasonable volume, all to insure the least disruption to the other Owners in the Subdivision.

(E) Declarant and/or the Board shall have the right to take any steps necessary or required to insure compliance with these rules, with the cost of such steps to be billed to Owner, payable immediately, and shall constitute a lien upon the Lot as per the provisions of Article VI hereinafter.

SECTION 23: FIRE SPRINKLER SYSTEMS; All dwellings constructed on a Lot shall have a residential fire sprinkler system installed in the dwelling

ARTICLE IV. ARCHITECTURAL CONTROL.

SECTION 1. ARCHITECTURAL CONTROL COMMITTEES. The ACC shall consist of Stephen A. Ingram. Declarant shall have the sole authority to appoint or remove members of the ACC until such time as all Lots within the Subdivision have been conveyed, at which time the Board shall appoint three Members. The ACC, which shall be perpetual, shall give final approval on new construction and shall also give final approval on all exterior modification to an existing structure. The ACC shall have the absolute right to approve or disapprove any plans for new construction or exterior modification to an existing structure.

SECTION 2. PLAN OR DESIGN APPROVAL. To insure the harmony of design and construction, location, materials and color schemes, no dwelling, building, improvement, wall, fence, driveway, or other structure shall be begun, altered, added to, maintained or constructed on or adjacent to any Lot until the plans and

specifications have been reviewed and approved in writing by the ACC. For approval an Owner must submit an Architectural Specification submitted in a form substantially as attached hereto as Exhibit A, together with such other information the ACC may require, including but not by way of limitation, one (1) set of plans, including a site plan, with specifications showing the location, floor plan, exterior materials and colors (including roof colors).

In reviewing plans and specifications the ACC shall consider as a basis of its approval, among other factors, the structural design, conformity and harmony of external design and appearance with other improvements in the Subdivision, or in the case of additions, with the existing improvements on the Lot, the relation of finished grades and elevations to adjoining Lots, site location and conformity to the Architectural guidelines then in effect and the specific and general intent of this Declaration.

SECTION 3. EFFECT OF FAILURE TO APPROVE OR DISAPPROVE. In the event that the ACC fails to approve or disapprove the design of any proposed improvements within thirty (30) days after plans and specifications have been received, approval will not be required, and the requirements of this Article will be deemed to have been fully satisfied; provided, that the plans and specifications required to be submitted shall not be deemed to have been received by the ACC if, in the ACC's opinion, the plans contain erroneous data or fail to present adequate information upon which the ACC can arrive at a decision.

SECTION 4. RIGHT OF INSPECTION. The ACC and representatives thereof shall have the right, at their election, to enter upon any Lot during preparation, construction, erection, or installation of any improvements to determine that such work is being performed in conformity with the approved plans and specifications.

ARTICLE V.
MEMBERSHIP AND VOTING RIGHTS.

SECTION 1. MEMBERS. The Declarant, for so long as it shall be an Owner, and every person or entity who is an Owner, are obligated to be members of the Association. The foregoing does not include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of a Lot shall be the sole qualification for membership, except as expressly provided hereinafter. Membership shall be appurtenant to and may not be separated from Ownership of a Lot which is subject to assessment by the Association. The Board of Directors may make reasonable rules relating to proof of Ownership.

SECTION 2. DECLARANT'S REPRESENTATION ON BOARD OF DIRECTORS OF THE ASSOCIATION. Declarant (or its express assignee) shall have the right to designate and select the members of the Board until such time as seventy-five percent (75%) of the Lots have been conveyed to third persons. Declarant may relinquish this right (either as to the entire Board or as to any single Director) at its option and shall have the right to do so at a time of its choosing. Declarant shall have the right to remove any person selected by it to act and serve on said Board and to replace such person. Any Director designated and selected by Declarant need not be an Owner. All other

members of the Board shall be elected by the Members. All Directors not appointed by Declarant shall be Owners. Any representatives of Declarant serving on the Board shall not be required to disqualify himself from any vote upon any contract or matter between Declarant and the Association where Declarant may have a pecuniary or other interest.

ARTICLE VI.
ASSESSMENTS.

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENT. The Declarant, for each Lot it owns, and other Owners, by acceptance of a deed therefore, whether or not expressed in such deed, are deemed to covenant and agree to pay to the Association:

- (a) Quarterly assessments or charges;
- (b) Special assessments as hereinafter provided.

The annual and special assessments together with interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge against the Lots and shall be a continuing lien upon the Lots against which each such assessment is made. Each such assessment, together with interest and costs, and reasonable attorney's fees (as provided in North Carolina General Statutes 6-21.2) incurred by the Association in collecting delinquent assessments shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the assessment became due. The obligation of a party for delinquent assessments shall pass to his successors or assigns in title unless expressly excused by the Board or Declarant.

SECTION 2. PURPOSE OF ASSESSMENTS.

A. All amounts expended by the Association for landscaping and lawn maintenance on Lots, the expenses and cost of operating, administering, managing, repairing, replacing and improving the Common Areas, all amounts expended by the Association in insuring the Common Areas and Facilities, including public liability insurance as well as hazard insurance for loss by fire and other hazards provided by standard extended coverage upon the Facilities located on the Common Areas; all amounts expended by the Association in legal, engineering, or architectural fees; all similar fees which may be incurred by the Association from time to time in performing the functions delegated to the Association by the Declaration; and all amounts expended in any form by the Association in enforcing the Declaration, the Articles of Incorporation or the Bylaws.

B. All amounts expended by the Association in carrying out any duty or discretion as may be required or allowed by the Declaration, Articles of Incorporation or the Bylaws.

SECTION 3. ANNUAL BUDGET AND ASSESSMENTS. The Board shall adopt or modify an annual budget for the subsequent year of operation, which shall provide for allocation of expenses in such a manner that the obligations imposed by this Declaration will be met.

SECTION 4. SPECIAL ASSESSMENT FOR REPAIRS. In the event any portion of the Common Areas are damaged or destroyed by any Owner or any of his guests, tenants, licensees, agents, or family members, or an Owner fails to maintain the exterior of the dwelling and other exterior improvements on his Lot as required in Section 10 of Article III such Owner does hereby authorize the Association to repair said damages or make such exterior repairs in a good and workmanlike manner. The amount necessary for such repairs, labor and material together with a 15% surcharge for administrative expenses shall become a special assessment upon the Lot of said Owner.

SECTION 5. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the Annual Assessments authorized above, the Board may levy one or more special assessments applicable to that year only for the purpose of defraying the costs of construction or reconstruction, unexpected repair, or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall also be approved by a two-thirds (2/3) vote of the Members present at a duly called meeting of the Members to consider the special assessment.

SECTION 6. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS DUE DATE. The Annual Assessment (initially \$1600.00), payable quarterly, provided for herein shall commence on a Lot on the first day of the month following the recordation of a deed transferring title from Declarant for the Lot.

SECTION 8. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at a rate not to exceed 18%. All Owners shall execute any agreements to secure or expedite enforcement of their obligation to pay any assessment requested by the Board. All Owners shall, at the option of the Board or Declarant, give judgment by confession (pursuant to the terms of N.C.G.S. 1A-1, Rule 68.1) for delinquent fees and assessments at any time prior or subsequent to their accrual. The Association may bring an action at law against the party personally obligated to pay any assessments and interest or foreclose the lien created herein in the same manner as prescribed by the laws of the State of North Carolina for the foreclosure of Deeds of Trust. Costs and reasonable attorney's fees (as set forth in Article VI, Section 1 (b) above), of any such action shall be added to the amount of such assessment and shall be a continuing lien upon the property against which such assessment is made. No person liable may waive or otherwise escape liability for the assessments provided for herein by the nonuse of the Common Areas or abandonment of his Lot.

In the event of such action at law and in the further event that such action results in a judgment being entered against the person liable and in favor of the Association, then, and in that event, the Association shall be further empowered to execute on that judgment in such manner and to the extent provided and permitted by the laws of the State of North Carolina.

SECTION 9. SUBORDINATION OF THE LIEN TO MORTGAGES AND AD VALOREM

TAXES. The lien of the assessments on any Lot provided for herein shall be subordinate to the lien of any mortgage, deed of trust or first purchase money deed of trust representing a lien on a Lot and shall be subordinate to ad valorem taxes. Sale or transfer of a Lot shall not affect the assessment lien; provided, however, that the sale or transfer of any Lot pursuant to a decree of foreclosure on a mortgage thereon or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve a Lot from liability or liens arising from assessments thereafter becoming due.

ARTICLE VII.
EASEMENTS.

SECTION 1. WALKS, DRIVES, PARKING AREAS, UTILITIES, ETC. The Subdivision, including Lots and Common Areas, shall be subject to such easements for water lines, sanitary sewer, storm drainage facilities, gas lines, telephone and electric power lines, television antenna lines, other utilities, ingress, egress and regress and otherwise as established by the Declarant or by its predecessor in title, prior to the conveyance of the property within the Subdivision; and the Association shall have the power and authority to grant and establish further easements upon, over, under and across the Common Areas.

SECTION 2. EASEMENTS TO DECLARANT, STREET LIGHTING. Perpetual easements for installation and maintenance of utilities, clear vision (sight distance easements) and drainage facilities are reserved by the Declarant as shown on the recorded plat. No structure, planting or other materials shall be placed or permitted to remain within or upon these easements which in Declarant's judgment may damage utilities, interfere with clear vision or with drainage. The easement area of each Lot and all improvements thereon except those improvements for which a public authority or utility company is responsible shall be maintained continuously by the Owner of the Lot. Such easement may be released by the Declarant to Lot Owners affected when and if it appears to the Declarant, its successors and assigns, that such easement(s) are no longer needed for the purpose for which they were intended. Easements are also reserved for any encroachment of a structure on an adjacent Lot as a result of the initial constructions of improvements on a Lot.

SECTION 3. STORMWATER, ETC. Ponds, swales, ditches, catch basins, curb inlets, pipes, culverts, and/or other improvements, including grades and slopes have been, or will be, constructed as part of the design of the storm water management system for the Subdivision, and are required as a part of subdivision approval by the City of Rocky Mount and/or federal, state or local jurisdictional agencies. These improvements are part of the storm water management system, including site grades, and shall not be removed without the prior written approval of the City of Rocky Mount.

Phase I: Phase One of Stonewall Villas Subdivision will utilize the subdivision Master Stormwater System and Pond as required by The City of Rocky Mount Stormwater Requirements. Stonewall Villas Owners Association shall be responsible for operation and maintenance of the Master Stormwater Pond in accordance with the

recorded Wet Retention Basin Operation and Maintenance Agreement.

ARTICLE VIII.
ANNEXATION OF ADDITIONAL PROPERTIES

ANNEXATION BY DECLARANT: Declarant may, but is not required to do so, annex additional lands to the Subdivision as follows:

(A) By adding additional land that Declarant, its successors and assigns, may wish to subject to this or any supplementary declaration.

(B) By recording in the Nash County Registry a declaration subjecting new lands to the provisions of this Declaration together with such additional covenants or restrictions as Declarant may wish to impose.

ARTICLE IX
GENERAL PROVISIONS.

SECTION 1. ENFORCEMENT.

(a) The foregoing covenants and all amendments, modifications and supplements hereto are to run with the land and shall be binding on and applicable to all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument in writing signed and acknowledged by an entirety of the Board has been recorded terminating said covenants in whole or in part.

(b) In the event the Association or any Owner fails to undertake any activity or duty imposed by these Declarations or should engage in any activities or omissions which will adversely affect any Lot, Declarant or the Board shall have the right to take such action as is necessary to protect the Subdivision. Declarant's or the Board's costs (including a reasonable attorney's fee) shall be borne by the party whose activity or omission has caused any damage to the Subdivision or has resulted in a breach of this Declaration. The bill for such costs shall be payable upon presentation. The charges thus arising shall constitute a lien as per the provisions of Section 6 of Article VI above.

(c) Any dispute arising under this Declaration shall be settled by arbitration, such arbitration to be conducted in Rocky Mount, North Carolina, in accordance with the commercial arbitration rules then existing of the American Arbitration Association (or, if such Association shall not then be in existence, such other organization, if any, as shall then have become the successor of said Association). Each party may appoint a fit and impartial person as arbiter. If a party shall fail to appoint an arbiter for a period of twenty (20) days after written notice from another party to make such appointment, the arbiter appointed within the time allowed shall decide the matter. If the arbiters so appointed fail to agree upon the matter in dispute, they shall appoint another arbiter. The matter in dispute shall be resolved by majority vote of the arbiters.

The fees of the arbiters and the expenses incident to the arbitration proceedings shall be allocated equitably between the parties by the arbiters. The fees and expenses of counsel for the respective party engaging such counsel or calling such witnesses shall be borne by that party.

(d) This Declaration shall be enforced by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or an impending violation, or to recover damages or other dues for such violation. The Owners of Lots subject to these restrictions, or any of them, jointly or severally, shall have the right to enforce these covenants.

(e) Invalidation of any of these covenants by judgment or court order shall in no way affect any of the other covenants herein, which shall remain in full force and effect.

SECTION 2. AMENDMENT BY BOARD. The Board may amend these Declarations, or any amendments thereof, subject to approval by Declarant (as long as it owns a Lot) and two-thirds (2/3) vote of the Members present at a duly called special meeting of the Members to consider the proposed Amendment.

SECTION 3. AMENDMENT TO ACHIEVE TAX-EXEMPT STATUS. The Declarant, for so long as it shall retain control of the Board (and thereafter, the Board) may amend this Declaration as shall be necessary to qualify the Association for tax-exempt status. Such Amendment shall become effective upon the date of its recordation in the Nash County Registry.

SECTION 4. EFFECT AND VALIDITY OF AMENDMENTS. All amendments shall be effective from the date of recordation in the Nash County Registry. When any instrument purporting to amend the covenants, conditions and restrictions has been certified by the Board or Declarant and recorded as provided in this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to all Owners.

SECTION 5; SUPPLEMENTARY DECLARATIONS: Declarant reserves the right to file supplementary declarations creating new or additional covenants, conditions and restrictions on the Subdivision and/or on the property described in the supplementary declaration.

SECTION 6. SALE, PURCHASE OF COMMON AREAS, TAXES.

(a) Notwithstanding any provision herein to the contrary, it is expressly provided that the Board, upon approval by the Declarant (as long as it owns a Lot) and a two-thirds vote of the Members at a special meeting of the Members to consider the proposed sale, may convey, for fair market value any portion of the Common Areas theretofore conveyed to the Association. Upon such conveyance, the area conveyed shall cease to be Common Areas and shall cease to be subject to these covenants relating to the Common Areas.

(b) The Association may purchase real and/or personal property and any property so purchased shall become Common Areas and subject to the provisions of those covenants relating to the Common Areas.

662

(c) The Board shall provide for the payment of taxes or assessments levied on the Common Areas by Nash County or the City Of Rocky Mount. Said payments shall be paid the Association as an expense from its Annual Assessment. In the event the Association defaults in the payment of such taxes and assessments, which default shall continue for a period of at least six (6) months, the taxing or assessing governmental authority shall be vested with a lien on each Lot in an amount determined by dividing the total taxes and assessments due the governmental authority by the total number of Lots. Such liens may be foreclosed by the governmental authority in the same manner as provided for foreclosure of liens for ad valorem taxes and assessments for public improvements.

SECTION 7. CONFLICTS. In the event of an irreconcilable conflict between this Declaration, any supplementary Declarations, the Bylaws of the Association or Articles of Incorporation of the Association, the provisions of this Declaration shall control.

SECTION 8. SEVERABILITY. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant, has caused this instrument to be executed in the manner required by law, and this the 28th day of October, 2019.

Ingram Construction Company of Rocky Mount, LLC

BY: [Signature] (SEAL)

NORTH CAROLINA

NASH COUNTY

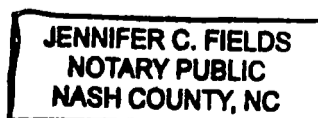
I, A NOTARY PUBLIC certify that Stephen A Ingram, Manager of Ingram Construction Company of Rocky Mount, LLC, a North Carolina limited liability company personally appeared before me this day and acknowledged the execution of the foregoing instrument on behalf of said entity for the purposes stated therein.

Witness my hand and official seal, this the 28th day of October, 2019.

[Signature]
Notary Public

My Commission expires: 01-31-2023

(Notarial Seal)



26.00
LTS