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DECLARATION

OF

PROTECTIVE COVENANTS

POPE'S LAKE, PHASE I & PHASE II

FILED

BOOK 1350 PAGE 249-259

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KIMBERLY S. HARGROVE
REGISTER OF DEEDS
HARNETT COUNTY, NC

THIS DECLARATION is made May 11, 1999, by William R. Pope and wife, Sybil W. Pope hereinafter referred to in the neuter singular as "The DECLARANT");

RECITALS:

DECLARANT is the Owner and Developer of that certain real property located in Grove Township, Harnett County, State of North Carolina, known as Pope's Lake (the Development), which Development is more particularly described as follows:

TRACT ONE: BEING all of Lot Nos. 1,2,3,4,5,6,7,8,9,10,11 and 12 as shown on that survey dated October 16, 1998 entitled "Pope's Lake, Phase I" drawn by Joyner Piedmont Surveying, Dunn, North Carolina, Andrew H. Joyner, RLS; said map being recorded as Map No. 99-15, Harnett County Registry, reference to which is hereby made for a more accurate description of said property.

TRACT TWO: BEING all of Lot Nos. 1,2,3,4 & 5 as shown on that survey dated October 14, 1998 entitled "Pope's Lake, Phase II" drawn by Joyner Piedmont Surveying, Dunn, North Carolina, Andrew H. Joyner, RLS; said map being recorded as Map No. 99-16, Harnett County Registry, reference to which is hereby made for a more accurate description of said property.

TRACT THREE: BEING that 0.85 acre parcel along with the 22 foot easment for ingress, egress and public and private utilities as shown on that survey dated August 12, 1998 entitled "Property of W.P. Pope, Sr" drawn by Joyner Piedmont Surveying, Dunn, North Carolina, Andrew H. Joyner, RLS; said map being recorded as Map No. 98-370, Harnett County Registry, reference to which is hereby made for a more accurate description of said property.

The DECLARANT intends to sell and convey the lots and parcels within the Development and, before doing so, desires to impose upon them mutual and beneficial restrictions, covenants, equitable servitudes, and charges under the general plan or scheme of improvements for the benefit of all lots and parcels in the Development and for the benefit of the Owners and future Owners thereof.

NOW, THEREFORE, the DECLARANT declares that all of the lots and parcels in the Development are held and shall be held, conveyed, encumbered, leased, rented, used, occupied, and improved subject to the provisions of this Declaration, all of which are declared by the DECLARANT, and agreed by DECLARANT'S successors in title, to be in furtherance of a plan of development established for the purpose of enhancing and protecting the value, desirability, and attractiveness thereof.

The provisions of this Declaration are intended to create mutual and equitable servitudes upon each of said lots and parcels in favor of each and all other lots and parcels; to create reciprocal rights between their respective Owners of all such lots and parcels; to create privity of contract and estate between the Grantors of such lots, their heirs, successors and assigns; and to operate as covenants running with the land for the benefit of each and all other such lots and parcels in the Development and their respective Owners present and future.

I. DEFINITIONS

The following terms used in this Declaration are defined as follows:

1. "Association" means Pope's Lake Homeowners Association, Inc., a North Carolina Non-Profit Corporation with its principal place of business in Harnett County, North Carolina, which association is operated pursuant to the Charter thereof recorded in Corporations Book 1350 at Page 245-246 of the said County Registry.
2. "Board" means the Board of Directors of Pope's Lake Homeowners Association, Inc.
3. "By-Laws" mean the By-Laws of the Association.
4. "Common Areas" means all roadways, easements for public and private utilities, pedestrian and recreation easements, nature trails, entrance columns, lake spillways, lake bridges and any other property (real or personal or mixed) located in subdivision or interest therein which the DECLARANT declares to be a Common Area and/or which the Association acquires and accepts as such.
5. "Declarant" means and refers to William R. Pope and wife, Sybil W. Pope, owners, its heirs, successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.
6. "Improvements" means all buildings, out-buildings, streets, roads, driveways, parking areas, fences, retaining and other walls, hedges, poles, antenna, and any other structure of any type or kind or any land clearing whatsoever.
7. "Lot" means any numbered lot designated on the plat.
8. "Owner" means: (a) any person, firm, corporation, or legal entity (including the DECLARANT) who or which holds fee simple title to any lot; (b) any person, firm, corporation, or other legal entity who has contracted to purchase fee simple title to any lot pursuant to a written agreement, in which case under said agreement the former owner shall cease to be the "Owner" of said lot for the purposes of this Declaration for so long as the said agreement is in effect.
9. "Single-Family Dwelling" means a residential dwelling for more than one or more persons, each related to the other by blood, marriage, or legal adoption.
10. "Supplemental Declaration" means any future Declaration made by the DECLARANT which incorporates the provisions of this Declaration therein by reference and which shall apply to property being annexed to the Development by the DECLARANT according to the terms and provisions contained hereafter.

II. RESIDENTIAL RESTRICTIONS

The following shall be applicable to all lots within the Development and each Owner, as to his lot or parcel, covenants to observe and perform the same.

1. Only one (1) single-family dwelling, and such accessory out-buildings as are usually incident thereto, shall be permitted on any lot.
2. No single-family dwelling may consist of less than 2,400 square feet of enclosed heated space (exclusive of any basement area, irrespective of whether or not the same may be enclosed and heated). No two-story or three-story house shall be less than eighteen hundred (1,800) square feet of living area on the first level. Each single-family residence shall consist of not less than three (3) bedrooms and two (2) baths. Each such single-family dwelling must contain a garage of sufficient size in which two (2) cars may be parked, said garage either to be attached to the single-family dwelling structure or located within twenty (20) feet of dwelling and attached by a breezeway from garage to home thereof and which garage shall not have less than one (1) overhead garage door. The Homeowners Association reserves the right to allow a ten percent variance in the finished living area.

3. No dwelling structure may be placed or erected upon any lot which shall lie or rest within forty five feet (45) from the front lot line; not nearer than thirty feet (30) feet from any interior lot line; not nearer than thirty five feet (35) from any side lot line adjacent to a road right of way; nor within forty feet (40) feet of any rear lot line. For the purposes of this restriction, eaves, steps and open porches shall not be considered as a part of any building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot. In the event that a building on a lot is constructed nearer to a lot line than is permitted by this Article, such violation may be waived by the execution of recordation in the Harnett County Registry of an instrument in writing signed by Declarant, if then in existence, and the owners of the adjacent lots on the side on which the violation occurs. Upon the execution and recordation of such waiver, said violation shall not thereafter be deemed to exist.

4. No improvement shall be made to any lot within the Subdivision without the express written approval of the Architectural Control Committee as defined and described in Article IV herein.

5. Construction of any improvements upon any lot, shall be commenced within nine (9) months of purchase of lot to owner and once commenced shall be completed within eighteen (18) months. Improvements not so completed or upon which construction has ceased for one hundred eighty (180) consecutive days, or which have been totally or partially destroyed and not rebuilt within eighteen (18) months shall be deemed to be nuisances. The DECLARANT and/or the Association may remove any such nuisance or repair or complete the same at the cost of the Owner of the lot upon which said nuisance may exist, which cost may be added to and become a part of the annual assessment to which the lot is subject. Neither the Association nor any of the agents, employees, or contractors shall be liable for any damage which may result from the performance of any services herein authorized. Declarant has the right to waive this provision should a lot owner purchase more than one lot.

6. No used buildings or structures intended for use as a dwelling may be placed on any lot.

7. All lots, whether occupied or unoccupied, and all improvements placed thereon, shall at all times be maintained in such a manner as to prevent their becoming unsightly, unsanitary, or a hazard to health. If not so maintained, the Association shall have the right, through its agents and/or employees, to rectify such offensive situations and the cost of such undertakings shall be added to and become a part of the annual assessment to which a lot is subject. Neither the Association nor any of its agents, employees, or contractors shall be liable for any damage which may result from the performance of any services herein authorized.

8. No outside toilets or privies shall be constructed on any lot. All plumbing fixtures, dishwashers, toilets, or sewage disposal systems shall be connected to a septic tank or other form of sewage disposal system approved by the appropriate government authority. No such waste disposal system shall be placed within one hundred (100) feet of any well now located or hereafter placed within the Development. All water and/or sewage systems shall be in conformity with the requirements of the Harnett County Health Department and shall be inspected and approved by the same. All well covers will be landscaped to conceal well caps and pipes from the public view.

9. All property lines shall be kept free and clear and open; no fences, hedges, or walls shall be permitted without the prior approval of the Architectural Control Committee. All lots, grass, and shrubbery shall be kept and maintained in orderly condition.

10. No fencing shall be allowed any closer to the front lot line than the rear of each dwelling. All fencing must be approved by declarant prior to installation.

11. No noxious or offensive activities or nuisances shall be permitted on any lot. The discharge of firearms of any type is prohibited. Riding go-carts, off road

motorcycles, four wheelers, or any other gas powered vehicles shall not be permitted on the property.

12. No outbuilding or storage building shall be erected upon any lot except those which are incidental to residential use. For any lot there shall be no more than one (1) outbuilding located on any lot. The outbuilding may contain only one (1) story and shall be no greater than eighteen feet in height, and may contain but not exceed eight hundred square feet (800). All materials used in the exterior construction shall be new building materials. All outbuildings shall be painted or sided and kept in a reasonable state of repair. No outbuilding is to be located within twenty five feet (25) of any lot line.

13. All driveways placed on the lots must be made of concrete and be at least ten (10) feet in width. Driveway pipe shall be new fifteen (15) inch reinforce concrete pipe that shall be at least twenty (20) feet in length. Driveway pipes must be installed so as to maintain a positive flow of water in the ditch line. Violations will be corrected at lot owner's expense.

14. No person, except the DECLARANT, shall erect or maintain upon any lot or improvement any sign or advertisement; this prohibition, however, shall not apply to a small property identification sign placed upon the lot which gives the family name of the Owner and/or the name of the house which name has been designated by the Owner.

15. No animals, livestock, or poultry of any kind shall be kept or maintained on any lot except the usual household pets. No vicious animal or other pet that threatens or is a reasonable threat to anyone shall be allowed in subdivision. No commercial activity involving dogs, cats or any other animal shall be permitted. Any pets shall be kept reasonably confined on said lot so as not to become a nuisance. All pets shall be restrained or confined and shall not be allowed to run free beyond the lot of the owner. All confinement areas and/or housing will be directly behind the main dwelling and no closer than twenty (20) feet to any lot line. NO PETS SHALL BE ALLOWED ON OR IN LAKE OR ANY ANIMALS RELEASED ON OR IN LAKE WITHOUT PRIOR UNANIMOUS WRITTEN CONSENT OF DECLARANT AND/OR HOMEOWNERS ASSOCIATION.

16. No Owner shall burn trash, garbage, or other like household refuse without a permit from the Architectural Control Committee.

17. No Owner shall accumulate on his lot any form of junk, inoperable vehicles, litter, refuse, or garbage (except in receptacles provided for such purposes).

18. Fuel storage tanks on any lot shall be either buried below the surface of the ground or, alternately, screened to the satisfaction of the Architectural Control Committee. Every receptacle for ashes, rubbish, or garbage shall be installed underground or be so placed and kept as not to be visible from any street or other lot within the Development, except at the times when such refuse collections are made.

19. No satellite dishes having a diameter exceeding eighteen (18") inches shall be allowed within the subdivision. No dish shall be allowed on lot if its placement is visible from street unless prior approval by the Homeowners Association is given.

20. No travel trailers, mobile homes (single or double wide), modular homes, relocatable dwelling of any type, tents, lean-to, or other temporary shelter may be placed or erected on any lot nor shall the Owner of any lot permit any overnight camping thereon at any time. No truck-cargo trailer or other vehicle shall be allowed to be placed or parked on any lot or shoulders of the road, except that campers, vans, boats and other recreational vehicles may be placed or parked on any lot as long as the same is not placed on the front portions on any lots.

21. There shall be no access to any lot on the perimeter of the Development except from designated streets and roads shown on the Plat. There shall be no access from any lot on the perimeter of the Development to any lands adjacent to such perimeter lot and no Owner may grant a right-of-way through his lot for the purpose of

affording access to property not within the Development. This provision shall not apply to the DECLARANT or their successors and assigns.

22. No streams found within any lot may be dammed or the water therefrom impounded, diverted, or used for any purpose without the prior written consent of the Architectural Control Committee.

23. Each Owner shall keep drainage ditches and swales located on his lot free and unobstructed and in good repair and shall provide for the installation of such culverts upon his lot as may be reasonably required for proper drainage.

24. No parcel or lot may hereafter be resubdivided into two (2) or more building sites and only one (1) single family dwelling may be permitted on each lot or parcel. This provision, however, shall not preclude the relocation of any lot line between any two (2) or more parcels either by the developer or the Owners of said Parcels, which relocation shall not be deemed a "resubdivision" thereof.

III. COMMON AREAS

1. Extent: All lots, parcels, or reserved easements in the Development designated herein as "Common Areas" are and shall remain private property and the DECLARANT'S recordation of the Plat shall not be construed as a dedication to the public of any such Common Area.

2. Ownership: By a series of Deeds of even date herewith, the DECLARANT has conveyed to the Association all Common Areas located within the Development as described in the Plat thereof.

3. Use: The use and enjoyment of common areas and improvements thereon shall be subject to the powers of the Association as set forth in its Articles and By-Laws and the rules and regulations governing the use of such property and improvement as may from time to time be adopted by the Association. Provided, however, DECLARANT reserves the right to reasonable use in connection with its sale and development programs.

4. Maintenance: Maintenance of common property and repairs to any improvements thereon (includes but is not limited to roads, erosion control measures taken on common property, bridges, spillways, entrance columns, landscaping, nature trails, lake(s) and dams) shall be the sole obligation and responsibility of the Association.

5. Subsequent Dedication: The Association may, upon the affirmative vote of two-thirds (2/3) of its members entitled to vote, offer any such property for dedication to public use. Such offer shall be subject to acceptance by the appropriate governmental authority pursuant to its then applicable standards.

6. Improvements: All improvements made by the Association upon the Common Areas must be approved by the Architectural Control Committee as hereinafter provided.

7. Fees: The Association has the right and power to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

IV. THE ARCHITECTURAL CONTROL COMMITTEE

1. General Powers: All improvements constructed or placed on any lot must first have the written approval of the Committee. Such approval shall be granted only after written application has been made to the Committee in the manner and form prescribed by it. The application, to be accompanied by two (2) sets of plans and specifications, shall show the location of all improvements, if any, existing upon said lot, the location of the improvements proposed to be constructed, the color and composition of all exterior materials to be used, proposed landscaping, and any other information which the Committee may require, including soil, engineering, and geologic reports and recommendations.

2. Committee Membership: The Committee shall be composed of three (3) members, to be appointed by DECLARANT. Committee members shall be subject to removal by DECLARANT and any vacancies from time to time existing shall be filled by appointment of DECLARANT, or in the event of DECLARANT'S failure to do so within two (2) months after any such vacancy, then by the Association through action of the Board. The power to appoint or remove Committee members shall be transferred to the Association when Ninety Percent (90%) of all lots in the Development have been sold by DECLARANT.

3. Grounds For Disapproval: The Committee may disapprove any application:

- i. If such application does not comply with this Declaration;
- ii. Because of the reasonable dissatisfaction of the Committee, with grading plans, location of the proposed improvements on a lot, finished ground elevation, color scheme, finish, design proportions, architecture, shape, height, or style of the proposed improvements, the materials used therein, the kind, pitch, or type of roof proposed to be placed thereon; or
- iii. If, in the judgment of a majority of the Committee reasonably exercised, the proposed improvements will be inharmonious with the Development, or with the improvements erected on other lots.

4. Rules and Regulations: The Committee shall, from time to time, adopt written rules and regulations of general application governing its procedures which shall include, among other things, provisions for the form and content of applications; required number of copies of plans and specifications; provisions for notice of approval or disapproval, including a reasonable time period for approval by reason of failure to disapprove, etc.

5. Variations: The Committee may grant reasonable variations or adjustments from the provisions in this Declaration where literal application thereof results in unnecessary hardship and if the granting thereof will not be materially detrimental or injurious to Owners of other lots.

6. Administrative Fees: As a means of defraying its expenses, the Committee may institute and require a reasonable filing fee to accompany the submission of plans and specifications, to be not more than one-fourth (1/4) of One Percent (1%) of the estimated cost of the proposed improvement, subject to a minimum fee of Twenty-Five Dollars (\$25.00). No additional fee shall be required for resubmissions.

7. Liability: Notwithstanding the approval by the Committee of plans and specifications or its inspection of the work in progress, neither it, DECLARANT, the Association nor any person acting in behalf of any of them shall be responsible in any way for any defects in any plans or specifications or other material submitted to the Committee, nor for any defects in any work done pursuant thereto. Each person submitting such plans or specifications shall be solely responsible for the sufficiency thereof and the adequacy of improvements constructed pursuant thereto.

8. Appeals: Any applicant shall have the right to appeal to the Board from any decision of the Committee within thirty (30) days after entry of such decision.

9. Default by Committee to take timely action: In the event the Committee fails to approve or disapprove such design and location within thirty (30) after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

V. THE ASSOCIATION

1. General: The Association is a North Carolina Non-Profit corporation organized to further and promote the common interests of property Owners in the Development. The Association shall have such powers in the furtherance of its purposes as are set forth in its Articles and By-Laws.

2. Membership: Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely

as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

The Association shall have two classes of voting membership:

- i. Class A. Class A members shall be all Owners, with the exception of the Developer, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.
- ii. Class B. The Class B member(s) shall be Developer, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted into Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

3. Rights, Privileges, and Obligations: The rights, duties, privileges, and obligations of membership in the Association are as set in its Articles and By-Laws.

VI. ASSESSMENTS

1. General: Pursuant to the powers granted to it in its Articles and By-Laws, the Association is hereby expressly authorized and empowered to levy annual assessments against all lots in the Development. Any Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

2. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

3. Maximum Annual Assessment: Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Twenty Five dollars (\$25.00) per Lot per month.

- i. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.
- ii. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- iii. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of

two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

5. Notice and Quorum for Any Action Authorized Under Sections D and E. Written notice of any meeting called for the purpose of taking any action authorized under Section D or E shall be sent to all members not less than 30 days not more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

7. Collection and Lien: The amount of the assessment levied by the Association shall be paid to it on or before the date or dates fixed by resolution of the Board. If any assessment is not paid within thirty (30) days of the due date thereof, the amount of such assessment (together with interest computed at the simple rate of eight (8%) percent per annum from and after the due date thereof) and any cost of collection (including reasonable attorney's fees, if any) shall, at the option of the Board, constitute and become a lien upon said lot as of the due date thereof upon the filing notice thereof with the Harnett County Clerk of Superior Court (which notice shall be filed within one hundred twenty (120) days from the due date of the assessment). In such instance, the services rendered by the Association for the benefit of such lot and for which an assessment is levied shall be deemed to have been performed on the due date of such assessment and to "improve" the subject lands and/or create an "improvement" thereon as defined in Chapter 44A, Article II, Part I of the General Statutes of North Carolina; the lien arising therefrom shall constitute a "lien of mechanics, laborers, and materialmen dealing with Owner", and such lien may be perfected and enforced pursuant to the provisions of said Part I. The lien created hereby shall not, however, be superior to any mortgage or Deed of Trust recorded prior to the filing of the Notice of Claim of Lien or any other statutory lien having priority or otherwise provided by law. Any action to enforce said lien may, at the Association's option, include a prayer for collection of assessments levied against the lot since the filing date of the Notice of Claim of Lien. The Association may purchase the property at any sale thereof contemplated under Section 44A-14 of the General Statutes of North Carolina.

8. Proof of Payment: Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.

9. Suspension: The Association shall not be required to transfer memberships on its books due to transfer of lot to third party purchase or to allow the exercise of any rights or privileges of membership on account thereof to any Owner or to any persons claiming under them unless or until all assessments and charges to which they are subject have been paid in full.

VII. EASEMENTS

1. Reservations: The following easements over each lot or parcel and the right to ingress and egress to the extent reasonably necessary to exercise such easements are reserved to DECLARANT, its heirs, successors, administrators, assigns and to the Association, its successors and assigns:

- i. Utilities: A five (5) foot wide strip running along the inside of all lot lines coincident with street right-of-way lines, in which case such strips shall be fifteen (15) feet wide, for the installation, maintenance, and operation of utilities, including radio and television transmission cables, and the accessory right to locate guy wires, braces, or anchors or to cut, trim, or remove trees, and plantings, wherever necessary upon such lots in connection with such installation, maintenance, and operation. The

easements reserved herein may be conveyed either by the Declarant or by the Corporation (or their respective successors) to any public utility company operating under a Certificate of Convenience and Necessity issued by the North Carolina Utilities Commission.

- ii. Slope and Drainage: A fifteen (15) foot wide easement running along the inside of all lot lines coincident with street rights-of-way lines for the purpose of cutting, filling drainage, and maintenance of slopes and drainage courses.
- iii. Private Streets: An easement on, over, and under all streets in the Development for the purpose of installing, maintaining, and operating utilities thereon or thereunder; for the purpose of drainage control; for access to any lot or parcel; and for purposes of maintenance of said streets.
- iv. Carolina Power and Light Co. Utility Easement: Declarant reserves the right to subject all lots to a contract with Carolina Power and Light Company, its successors and/or assigns, for the installation of street lighting which will require a continuing monthly payment to said utility company for each lot owner.
- v. Other Easements: Any other easements shown on the recorded plats (Map Nos: 99-14; 99-15; 99-16 and 98-370 Harnett County Registry).

2. Use of and Maintenance by Owners: The areas of any lots affected by the easements reserved herein shall be maintained continuously by the Owner of such lot, but no structures, plantings, or other material shall be placed or permitted to remain or other activities undertaken thereon which may damage or interfere with the use of said easements for the purpose herein set forth. Improvements within such areas shall be maintained by the Owner except those for which a public authority or utility company is responsible.

3. Liability for Use of Easements: No Owner shall have any claim or cause of action against DECLARANT or its licensees arising out of the exercise or non-exercise of any easement reserved hereunder or shown on the Plat, except in cases of willful or wanton misconduct.

VIII. ANNEXATION

1. Property to be Annexed: DECLARANT may, from time to time and in its sole discretion annex to the Development any other real property owned by DECLARANT which is contiguous or adjacent to or in the immediate vicinity of the Development.

2. Manner of Annexation: DECLARANT shall effect such annexation by recording a Plat of the real property to be annexed and by recording a Supplemental Declaration which shall:

- i. Describe the real property being annexed and designate the permissible uses thereof;
- ii. Set forth any new or modified restrictions or covenants which may be applicable to such annexed property, including limited or restrictive uses of Common Areas; and,
- iii. Declare that such annexed property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the provisions of this Declaration. Upon the recording of such Plat an Supplemental Declaration the annexed area shall become a part of the Development, as fully as if such area were part of the Development on the date of recording of this Declaration.

3. Properties of Third Parties: Property of third parties may be annexed to the subdivision by a two-thirds affirmative vote of all lot owners in the subdivision, one vote per lot.

IX. REMEDIES

1. Enforcement: DECLARANT and each person to whose benefit this Declaration inures, including the Association, may proceed at law or in equity to prevent the occurrence, continuance, or violation of any provisions of this Declaration, and the Court in

such action may award the successful party reasonable expenses in prosecuting such action, including attorneys' fees.

2. Suspension of Privileges: The Board may suspend all voting rights, and all rights to use the Association's Common Areas of any Owner for any period during which any Association assessment against such Owner remains unpaid, or during the period of any continuing violation of the provisions of this Declaration by such Owner after the existence thereof has been declared by the Board.

3. Cumulative Rights: Remedies specified herein are cumulative and any enumerations herein of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect of a violation of any provisions of this Declaration shall be held to be a waiver by that party of any right available to him upon the recurrence or continuance of said violation or the occurrence of a different violation.

X. NONCONFORMING USES

Upon the effective date of these covenants, and any amendment thereto, pre-existing structures and existing and lawful uses of any building or land which do not meet the minimum requirements of these covenants for the subdivision in which they are located shall be considered as nonconforming. It is the intent of these covenants to permit the nonconforming uses to continue until they are removed, discontinued, or destroyed, but not to encourage such continued use, and to prohibit the expansion of any nonconformance.

1. Substandard Structures. Any structure existing at the time of the adoption of these covenants, which do not meet the requirements of the covenants, shall be subject to the following exceptions and modifications: **Restoration After Destruction.** This provision shall not prevent the restoration of a nonconforming building, or a building used for a nonconforming use, which has been destroyed through no willful act of the owner, but only if the damage or destruction to the structure was for less than seventy five percent (75.0%) of the insured value of the structure. If damages exceed seventy five percent (75.0%) of the insured value of the building, it shall be razed and a new structure shall be built in conformity with all covenants and restrictions set forth herein.

2. Nonconforming Uses of Land. The nonconforming use of land shall not be enlarged or increased, nor shall any nonconforming use be extended to occupy a greater area of land than that occupied by such use at the time of the passage of this covenants. If any nonconforming use of land is discontinued for a continuous period exceeding one hundred twenty (120) days, any future use of said land shall be in conformity with the provisions of these covenants.

XI. GRANTEE'S ACCEPTANCE

Each Grantee or Purchaser of any lot or parcel shall, by acceptance of a Deed or other instrument conveying title thereto, or the execution of a contract for the purchase thereof, whether from DECLARANT or a subsequent Owner of such lot or parcel, accept such Deed or contract upon and subject to each and all of the provisions of this Declaration and to the jurisdiction, rights, powers, privileges, and immunities of DECLARANT and of the Association. By such acceptance such Grantee or Purchaser shall for himself, his heirs, assigns, devisees, personal representatives, grantees, successors, lessees, and/or lessors, covenant, consent, and agree to and with the DECLARANT and the Grantee or Purchaser of each other lot to keep, observe, comply, and perform the covenants, conditions, and restrictions contained in this Declaration.

XII. SEVERABILITY

Each provision of this Declaration is hereby declared to be independent of and severable from every other provision hereof. If any provision hereof shall be held by a Court of competent jurisdiction to be invalid, or unenforceable, all remaining provisions shall continue unimpaired and in full force and effect.

XIII. CAPTIONS

Paragraph captions in this Declaration are for convenience only and do not in any way limit or amplify the terms or provisions hereof.

XIV. TERM AND AMENDMENT

The provisions of this Declaration shall affect and run with the land and shall exist and be binding upon all parties claiming an interest in the Development for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty year (20) period by an instrument signed by not less than eighty percent (80%) of the Lot Owners, and thereafter by an instrument signed by not less than sixty six percent (66%) of the Lot Owners. Any amendment to be enforceable in equity or law must be recorded.

XV. FHA/VA Approval

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the DECLARANT has executed this Declaration on the day and year first above written.



DECLARANT(S)

William R. Pope (SEAL)

Sybil W. Pope (SEAL)

NORTH CAROLINA
HARNETT COUNTY

I, Ann P. Bennett, a Notary Public, do hereby certify William R. Pope and Sybil W. Pope, Grantor(s) herein, personally appeared before me this date and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Witness my hand and official seal, this the 11 day of May, 1999.

Ann P. Bennett
Notary Public

My Commission Expires: 1-6-02

STATE OF NORTH CAROLINA
HARNETT COUNTY

The foregoing certificate(s) of Ann P. Bennett, a Notary Public of Harnett County is certified to be correct. This instrument was presented for registration and recorded in this office at Book 1350, Pages 249-259. This the 11th day of May 1999 at 10:18 o'clock A. M.

Kimberly S. Hargrove
Register of Deeds
Harnett County

BY: Elmira McLean
Assistant/Deputy Register of Deeds