



- SECTION I. DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS,
RESTRICTIONS, CHARGES, LIENS, AND
RESERVATIONS
- SECTION II. BYLAWS OF THE STANTON LANDING
PROPERTY OWNERS' ASSOCIATION
- SECTION III. ARCHITECTURAL REVIEW BOARD
POLICIES AND PROCEDURES
- SECTION IV. ARCHITECTURAL REVIEW BOARD FORMS
& APPLICATIONS

BOOK 969 PAGE 93

SECTION I.

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES, LIENS, AND RESERVATIONS



BOOK 969 PAGE 93

Stanton Landing Declaration

Table of Contents

Article 1

DEFINITIONS	page2
Architectural Review Board	page2
1.1 Assessments	page2
1.2 Association	page2
1.3 Bylaws	page3
1.4 Board	page3
1.5 Common Elements	page3
1.6 Common Expenses	page3
1.7 Declarant	page3
1.8 Declarant Control Period	page3
1.9 Declaration	page3
1.10 Development Area	page4
1.11 Development Rights	page4
1.12 Dispose or Disposition	page4
1.13 Drainage	page4
1.14 Foreclosure	page4
1.15 Homesite(s)	page4
1.16 Identifying Number	page4
1.17 Improvements	page5
1.18 Lease	page5
1.19 Majority	page5
1.20 Master Plan or Development Plan	page5
1.21 Member	page5
1.22 Mortgage	page5
1.23 Mortgagee	page5
1.24 Occupant	page6
1.25 Offensive of Noxious Activity	page6
1.26 Owner or Unit Owner	page6
1.27 Person	page6
1.28 Planned Community	page6
1.29 Property	page7
1.30 Reasonable Attorneys Fees	page7
1.31 Recorded	page7
1.32 Residence Unit	page7
1.33 Security Expenses	page7
1.34 Shall	page7

BOOK 969 PAGE 93

1.35 Special Declarant Rights	page8
1.36 Street	page8
1.37 Structure	page8
1.38 Use of Land or Intended for Use	page8
1.39 Use or Used for Residential Purposes	page8

Article 2

PROPERTY SUBJECT TO DECLARATIONS	page9
2.1 Existing Properties	page9
2.2 Additions to Existing Property	page9

Article 3

USE OF PROPERTY	page10
3.1 Use Restrictions	page10
3.1.1 Single Family Residence	page10
3.1.2 Nuisances	page10
3.1.3 Lawful Use	page11
3.1.4 Certain Structure Types Prohibited	page11
3.1.5 Rules and Regulations	page11
3.1.6 Fences, Walls and Landscaping	page11
3.1.7 Parking Areas	page11
3.1.8 Waste Material Containers	page12
3.1.9 Signs	page12
3.1.10 Offensive Trade or Activity	page12
3.1.11 No Temporary Structures	page12
3.1.12 No Livestock	page12
3.1.13 Off-Street Parking	page13
3.1.14 Recreational Facilities	page13
3.1.15 Refuse	page13
3.1.16 Antennas	page14
3.1.17 Wash	page14
3.1.18 No Site Obstructions	page14
3.1.19 Unsightly Conditions	page14
3.1.20 Discharge of Firearms	page14
3.1.21 Motorized Vehicles	page14
3.1.22 Wetlands	page15
3.1.23 Storm Water Management Permit	page15
3.1.24 Street Lights	page15

BOOK 969 PAGE 93

Article 4

CONSTRUCTION ON HOMESITES / RESIDENCE UNITS ARCHITECTURAL AND LANDSCAPE CONTROLS	page15
4.1 Architectural Review Board	page15
4.2 Approval to Build	page16
4.2.1 Homesite Configuration	page16
4.2.2 Building Contractors for Residence Unit	page16
4.2.3 Applicable Laws and Architectural Review Board Policies	page17
4.2.4 Plans and Specifications	page17
4.2.5 Site Plans	page17
4.2.6 Square Footage of Residence Units	page18
4.2.7 Approvals	page18
4.3 Building Permits	page18
4.4 Time Period	page19
4.5 Grading and Filling	page19
4.6 Driveway Culverts	page19

Article 5

PROPERTY OWNERS' ASSOCIATION	page19
5.1 Membership	page19
5.2 Powers of Association	page19
5.3 Procedures and Fines/Suspensions of Planned Community Services	page21
5.4 Executive Board Members and Officers	page21
5.5 Declarant's Control of Association	page22
5.6 Voting	page23
5.7 Proxies	page23
5.8 Amenities and Common Elements	page23
5.9 Rules and Regulations	page23
5.10 Implied Rights	page24
5.11 Personal Property for Common Use	page24

BOOK 969 PAGE 93

Article 6

COMMON EXPENSES	page24
6.1 Creation of the Lien and Personal Obligation of Assessments	page24
6.2 The Common Expenses	page24
6.3 Special Assessments for Capital Improvements	page27
6.4 Emergency Special Assessments	page27
6.5 Certificates	page27
6.6 Procedure for setting Annual and Special Assessments	page27
6.7 Effect of Nonpayment of Assessments, Remedies of the Association	page28
6.8 Collection	page30
6.9 Limitation on Assessment	page30
6.10 Rate of Annual Assessment	page32
6.11 Date and Commencement of Annual Assessment	page32
6.12 Subordination of the Lien to Mortgages	page32
6.13 Exempt property	page32
6.14 Payment by Declarant	page33

Article 7

COMMON ELEMENTS	page33
7.1 Common Elements	page33
7.2 Easement Affecting Common Elements	page34
7.3 Usage Rights	page36
7.4 Area Boundaries and Conveyance of Common Elements	page37
7.5 Delegation of Use	page37

Article 8

FINANCING PROVISIONS	page37
8.1 Approval of Owners and Holders of First Deed of Trust	page37

Article 9

RESERVED EASEMENTS	page38
9.1 Utility and Drainage Easements	page38
9.2 No Interest in Utilities	page38
9.3 Easement for Use of Streets	page39
9.4 Master Electronic Reception Apparatus	page39
9.5 Inspection and Maintenance	page39

969 93

Article 10

TRAFFIC REGULATIONS
10.1 Traffic

page40
page40

Article 11

VARIANCES
11.1 Variances

page40
page40

Article 12

INSURANCE AND CASUALTY LOSSES
12.1 Insurance
12.2 Policies
12.3 Use of Proceeds

page40
page40
page41
page42

Article 13

MAINTENANCE / REPAIR
13.1 Residence Units

page42
page42

Article 14

CONDEMNATION
14.1 General
14.2 Common Elements

page42
page43
page43

Article 15

NOTICES
15.1 Forms of Notice
15.2 Agent to Receive Service of Process

page43
page43
page43

969 93

Article 16

TERM	page44
16.1 Term	page44
16.2 Covenants Running with Land	page44

Article 17

ASSIGNMENT / AMENDMENT	page44
17.1 Assignment	page44
17.2 Amendments by Declarant	page45
17.3 Amendments by Residence Unit or Homesite Owners	page45
17.3.1 Proposed Amendments	page46
17.3.2 Notice	page46
17.3.3 Resolution	page46
17.3.4 Absentee Vote	page46
17.3.5 Proviso	page46
17.3.6 Execution and Recording	page46
17.4 Amendments to Policies and Procedures of the ARB	page47

Article 18

ENFORCEMENT	page47
18.1 Violation of Covenants	page47
18.2 Invalidity	page47
18.3 Laws and Ordinances	page47

Article 19

REMEDIES FOR VIOLATIONS	page47
19.1 Remedies for Violations	page48

Article 20

DECLARANT EXEMPTIONS	page48
20.1 Declarant Exemptions	page48

BOOK 969 PAGE 93

Article 21

MISCELLANEOUS	page49
21.1 Multiple Owners	page49
21.2 Applicability to Third Parties	page49
21.3 Conveyances	page49
21.4 Perpetuities	page49
21.5 Severability	page49
21.6 Rights of Mortgages	page49
21.7 Inspection and Maintenance	page50
21.8 Waiver	page50
21.9 Construction	page50

BOOK 969 PAGE 93

**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,
RESTRICTIONS, CHARGES, LIENS, AND RESERVATIONS
for
"STANTON LANDING"**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES, LIENS AND RESERVATIONS is made this 16th day of December, 2002, by U.F.S.,LLC., a North Carolina limited liability company (hereinafter referred to as "Declarant"), its successors and assigns concerning the planned community to be known as **STANTON LANDING**.

WITNESSETH

WHEREAS, it is the intent of the Declarant to establish a general plan and uniform scheme of development and improvement of property it owns or will acquire as a planned residential community (the "Planned Community") together with streets, roads, footways, open spaces, entrances, drainage facilities, access easements, site lighting and signage, and any recreations area(s), common area(s) and any other common properties shown on any recorded plat of such real property of a portion thereof for the benefit of the Planned Community; and,

WHEREAS, Declarant desires to insure the attractiveness of the Planned Community and to prevent any future impairment thereof, to provide for the maintenance and upkeep of the Common Elements, as hereinafter defined, to prevent nuisances, to preserve, protect and enhance the Common Elements for the benefit of the Planned Community and each property owner within the Planned Community; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the property values, amenities and opportunities within the Planned Community in order to contribute to the personal and general health, safety and welfare of the property owners and residents

BOOK 969 PAGE 93

therein, to provide for the maintenance of all Common Elements, to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Elements and administering and enforcing this Declaration, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused to be incorporated under North Carolina law, Stanton Landing Property Owners' Association, Inc. (the "Association") as a nonprofit corporation for the purpose of exercising and performing the aforesaid functions, and as more specifically provided herein;

NOW, THEREFORE, Declarant hereby declares that it is the expressed purpose, desire and intention of Declarant and Declarant hereby does submit the Existing Property (as herein defined), including any improvements to be located thereon, so that the Existing Property shall be held, sold, conveyed and occupied subject to the provisions, covenants, conditions and restrictions contained herein, which shall run with the real property and be binding on all parties having any right, title or interest in the Existing Property or any part thereof, and their heirs, administrators, successors and assigns, and shall inure to the benefit of each owner thereof .

ARTICLE 1
DEFINITIONS

The following words and terms when used in this Declaration and Bylaws and any supplemental declaration and Bylaws (unless the context shall clearly indicate otherwise) shall have the following meanings:

1.1 Architectural Review Board (abbreviated "ARB.") The term "Architectural Review Board" means and refers to a committee of five (5) individuals initially designated and appointed (and removed) by the Declarant to carry out the duties herein assigned to said Architectural Review Board who shall serve at the pleasure of the Declarant until the end of the Declarant Control Period.

1.2 Assessments. "Assessments" means the same as Common Expenses levied by the Association, as more specifically provided in Article 6.

1.3 Association. "Association" means Stanton Landing Property Owners' Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.

BOOK 969 PAGE 93

1.4 Bylaws. "Bylaws" means such governing regulations as are adopted for the regulation and management of the Association, including such amendments thereof as may be adopted from time to time and recorded. The initial Bylaws are attached hereto as Schedule A.

1.5 Board. "Board" means a board of natural individuals of the number stated in the Bylaws, who need not be Owners, which constitute the Board of Directors of the Association and who shall manage the business, operations and affairs of the Association on behalf of the Members.

1.6 Common Elements. "Common Elements" means the common areas and facilities owned by the Association and dedicated to the common use and enjoyment of the Owners, or such other easements and areas for which the Association has maintenance responsibility, as more specifically provided in Article 7. "Common Elements" shall include, but not be limited to, any storm water control, pool, clubhouse, security gates, entrance ways, boat storage areas, boat ramp, piers, walkways, or streets which may be constructed now or in the future.

1.7 Common Expenses. "Common Expenses" means the expenses of the Association in providing for the acquisition, construction, management, maintenance and care of Association Property, the Common Elements and the Association's maintenance obligations as more particularly provided in Article 6.

1.8 Declarant. "Declarant" means U.F.S., LLC., and its successors and assigns in interest in Stanton Landing, if such successor or assign should acquire more than one undeveloped Homesite from the Declarant for the purpose of development.

1.9 Declarant Control Period. "Declarant Control Period" means that period of time that Declarant may appoint and remove a majority of the Board of Directors of the Association without consent of any Owner; the calendar date November 1, 2013; or, by voluntary relinquishment or assignment, whichever event shall first occur.

1.10 Declaration. "Declaration" means this instrument and any amendments thereto by which Stanton Landing is created and expanded.

969 93

1.11 Development Area. "Development Area" means that property owned by Declarant as recorded in _____, in the Office of the Register of Deeds of Carteret County, North Carolina; or, any other tract(s) or parcel(s) that are contiguous to the Development Area and which may be subsequently acquired by the Declarant.

1.12 Development Rights. "Development rights" means any right or combination of rights reserved by the Declarant in this Declaration (i) to add real estate to Stanton Landing; (ii) to create lots, Common Elements, within Stanton Landing; (iii) to subdivide Homesites or convert Homesites into Common Elements; or (iv) to withdraw real estate from Stanton Landing.

1.13 Dispose or Disposition. "Dispose" or "disposition" means a voluntary transfer to a purchaser of any legal or equitable interest in a Homesite, but does not include the transfer or release of a security interest.

1.14 Drainage. "Drainage" means the removal of surface water or ground water from land by drains, grading or other means, and includes control of runoff to minimize erosion and sedimentation during and after construction or development and likewise includes undertaking those measures necessary for water supply preservation for prevention or alleviation of flooding.

1.15 Foreclosure. "Foreclosure" means the exercise of the rights of the holder of any mortgage or other instrument creating a security interest in a Homesite or Residence Unit.

1.16 Homesite(s). "Homesites(s)" means any unimproved plot of land designated with an Identifying Number upon any recorded subdivision map of a portion of Stanton Landing. A Homesite shall be intended for use as the site for one (1) single family detached dwelling unit. A Homesite shall be deemed to be unimproved until the improvements being constructed thereon are sufficiently completed to reasonably permit habitation thereof and will thereafter be subject to assessments as improved property as a Residence Unit.

1.17 Identifying Number. "Identifying number" means a symbol on the recorded plat of any phase of the Property that identifies only one Homesite in Stanton Landing.

BOOK 969 PAGE 93

1.18 Improvements. "Improvements" means all structures or construction of any kind that alters the initial physical appearance of a Homesite , including, without limitation, any building, outbuildings, roads, driveways, parking areas, retaining walls, loading areas, utilities, lawns, fence, wall, sign, paving, grading, parking and building additions, alteration, screen enclosure, pool ,sewer, drain, disposal system, decorative building, landscaping or landscape device (including existing and planted trees and shrubbery) or object together with any construction work or treatment done or applied to a Homesite in connection therewith.

1.19 Lease. "Lease" means all leases, subleases and rental contracts, whether oral or written.

1.20 Majority. "Majority" means any number of votes which is greater than fifty percent (50%) of the applicable votes.

1.21 Master Plan or Development Plan. "Master Plan" or "Development Plan" means the drawings which represent the conceptual research plan for the future development of Stanton Landing, held by the Declarant and made available for inspection by prospective land purchasers. Since the concept of the future development of the undeveloped portions of Stanton Landing retained by, and remaining in the Declarant's ownership, is subject to continuing revision and change at the discretion the Declarant, present and future references to the "Master Plan" by the Declarant, its employees or agents shall be reference to the latest revision thereof. In addition, no implied reciprocal covenants shall arise with respect to lands which have been retained by the Declarant for future development restricting their uses. The Declarant shall not be bound by any development plan, use or restriction of use shown on any Master Plan, and may at any time change or revise said Master Plan. None of the proposed facilities reflected on any Master Plan need be built. The construction of any proposed facilities is dependent on market conditions and the economic viability of the sale of Homesites in Stanton Landing.

1.22 Member. "Member" means every person or entity who holds membership in the Association. Declarant shall be a Member of the Association from and after the date of recordation of this Declaration.

1.23 Mortgage. "Mortgage" includes both a deed of trust or a mortgage or any instrument creating a security interest in a Homesite or Residence Unit.

1.24 Mortgagee. "Mortgagee" includes any grantee in or holder of a Mortgage, or the beneficiary of a Deed of Trust, or other similar security interest.

1.25 Occupant. "Occupant" means any person who occupies, or who has the right to occupy, all or a part of any Homesite or Residence Unit which is a part of the Property, whether such occupancy or right of occupancy is based on ownership, lease, license or easement.

1.26 Offensive or Noxious Activity. "Offensive or Noxious" activity or behavior includes, but is not limited to a public nuisance or nuisance per se and shall also include any behavior or activity which is inconsistent with both the pleasurable use of Stanton Landing by a majority of the residents and their reasonable expectations of enjoying their property and the available amenities and natural surroundings free of boorish, rude, excessively noisy, crude, tasteless behavior, flashing lights, racing vehicles, radio, hi-fi or electronic music distractions, etc., or other similar behavior curtailing the pleasure of use of the natural environment and Common Elements of Stanton Landing. Musical or other entertainment, concerts, festivals, competitions or shows conducted under permit from the Declarant shall not constitute offensive or noxious activity or behavior unless such permit is withdrawn by the Declarant.

1.27 Owner or Unit Owner. The term "Owner" or "Unit Owner" means a person who has acquired by disposition fee simple title to any Homesite or Residence Unit, but shall not include a person having such an interest merely as security for the performance of an obligation. The Declarant and any mortgagee is excluded from being an "Owner" unless and until such Declarant and mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

1.28 Person. "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

1.29 Planned Community. "Planned Community" means real estate with respect to which any person, by virtue of his ownership of a Homesite, is expressly obligated by this Declaration to pay real property taxes, insurance premiums, or other expenses to maintain, improve or benefit other Homesites or other real estate described in this Declaration. The term Planned Community is used interchangeably with the term Stanton Landing within this Declaration.

1.30 Property. "Property" means the Existing Property as defined in Article 2.1 and any additions or replacements that may be brought by the Declarant, at its option, within the scheme and jurisdiction of this Declaration, including the Homesites and the Common Elements, together with the buildings and all other improvements thereon, and all easements and rights appurtenant thereto, which are now or hereafter used in connection with the ownership and use of said land and improvements.

1.31 Reasonable Attorneys Fees. "Reasonable attorney's fees" means attorney's fees actually incurred without regard to any limitations on attorney's fees which may be included in any section of the North Carolina General Statutes, based on the following factors: (i) the novelty and difficulty of the questions and issues involved; (ii) the likelihood that the acceptance of employment by the attorney for the Association will preclude legal representation of other parties; (iii) fees customarily charged in this locality for similar legal services; (iv) the amount involved and the results obtained; (v) the time limitations imposed by the Association or the circumstances; (vi) the nature and length of any previous professional relationship with the Association; and (vii) the attorney's experience, qualifications, reputation, and the skill requisite to perform the necessary legal services. The rate and/or amount agreed to between the Association and any attorney retained by the Association shall be presumed to be reasonable.

1.32 Recorded. "Recorded" means made a matter of public record by filing same in the Office of the Register of Deeds or Clerk of Court for Carteret County, North Carolina, the filing place to be determined by the type of document to be recorded..

1.33 Residence Unit. "Residence Unit" means the improvements erected on a Homesite for use and occupancy as one single family dwelling and any exterior steps, garage, parking space, patio, deck, driveway, balcony, storage facilities, terraces, verandas and landscaping located on the Homesite, and the Homesite upon which said building and improvements are located.

1.34 Security Expenses. "Security Expenses" means all fees and expenses incurred by the Association for any security purpose associated with the Planned Community, including but not limited to erection, purchase and maintenance of gates, perimeter fencing, vehicles, equipment, personnel or contracts with providers of such services, equipment and facilities.

1.35 Shall. "Shall" indicates a mandatory requirement, condition, or obligation; in contrast, the term "may" indicates a permissive action.

1.36 Special Declarant Rights . "Special Declarant Rights" means rights reserved for the benefit of the Declarant which may not be altered by the Members, including, but not limited to rights (i) to complete improvements indicated on plats and plans filed with the Declaration; (ii) to exercise any Development Right; (iii) to maintain sales offices, management offices, signs advertising Stanton Landing, and models; (iv) to use easements through the common elements for the purpose of making improvements within Stanton Landing or within real estate which may be added to Stanton Landing; or, (v) to appoint or remove any officers or executive board members of the Association during the period of declarant control, all of which Special Declarant Rights are more fully set forth herein.

1.37 Street. "Street" means any street, highway or other thoroughfare which is constructed by Declarant within Stanton Landing and is shown on a recorded plat of any phase of the Planned Community, whether the same is designated as street, drive, place, court, road, terrace, way, circle, lane, walk, view or other similar designation. All such streets comprise a portion of the Common Elements.

1.38 Structure. "Structure" means any construction, object, projection or piece of work artificially built up or composed of parts joined together in some definite manner, which is erected or shaped on the Property, including but not limited to buildings, fences, walls, bridges, signs, blinds, tennis courts, swimming pools, tents, gazebos, greenhouses, garage facilities or other outbuildings, signs, abutments, ornamental projections, exterior fixtures, shaped earth as a masonry structure, lights, or any device which might obstruct or interfere with the quality of a view from the property.

1.39 Use of Land or Intended for Use. "Use of Land" or "Intended for Use" means the use designated in the deed of conveyance of a parcel or space or by separate declaration of covenants designating the use for which any particular parcel of land is restricted to in such declaration incorporated by reference to a particular recorded declaration of covenants in deeds by which the Declarant has conveyed such land. Reference to "uses" of land, or description of parcels on maps, master plans, and promotional material shall not constitute a designation of use for purposes of this Declaration nor shall such reference create any obligation for the Declarant.

1.40 Use or Used for Residential Purposes. "Use or Used for Residential Purposes" means to be used as one's residence or normal and customary place of abode and shall not include any use for business or commercial purposes. The use of a portion a Residence Unit as a home office shall be

BOOK 969 PAGE 93

considered a residential use: (1) if such use does not create more than very occasional customer or client traffic to and from the Residence Unit and is otherwise permitted by any applicable Zoning Ordinance; (2) if the Residence Unit's address is not held out or advertised in any way as a business address; (3) no sign, symbol, logo, or name plate identifying such business is affixed to the exterior of the Residence Unit or visible from the exterior of the Residence Unit; and (4) except where the approval of the Association has been given to such use.

ARTICLE 2

PROPERTY SUBJECT TO DECLARATION

2.1 Existing Property. The Property which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied under this Declaration and within the jurisdiction of the Association, is located in Carteret County, North Carolina, and is more particularly described as Stanton Landing, as shown on plat thereof recorded in the Office of the Register of Deeds of Carteret County, North Carolina, *in map book 30, page 206.*

2.2 Additions to Existing Property. Additional land within the Development Area may be brought within the scheme and operation of this Declaration and the Jurisdiction of the Association by the Declarant without the consent of the Association or any Member in the following manner:

2.2.1 The area of the Property subject to this Declaration may be increased by filing with the Register of Deeds of the jurisdiction referred to above, plats of additional phases within the Development Area and the subsequent conveyance of any Homesite by the Declarant in such phase by reference to such plat and this Declaration, which shall then extend the scheme of the Declaration to all property shown on the plat of that phase, except for any areas marked "Reserved" or such areas of similar nomenclature. No other land within the Development Area or vicinity of the Development Area shall be subject to this Declaration unless the provisions of this section are complied with, it being intended that this Declaration may not be construed or considered as a scheme for the development of any land other than that shown on the then existing and recorded plats for each phase by which at least one of the Homesites shown thereon has been conveyed by reference to such plat and this Declaration.

2.2.2 In addition the Declarant reserves the right to file Supplemental Declarations with the development of each successive phase, which may contain such complementary additions and

969

93

modifications of this Declaration as may be necessary or convenient, in the judgment of the Declarant, to reflect and adapt to any difference in character of the added properties and as are not inconsistent with the scheme of this Declaration.

ARTICLE 3

USE OF PROPERTY

3.1 Use Restrictions. The use of the Property, the Homesites, the Residence Units and Common Elements shall be in accordance with the following provisions as long as this Declaration remains in effect.

3.1.1 Single Family Residence. The Homesites and any building or structure now or hereafter erected on a Homesite shall be occupied and used for single family residence purposes only, and no building shall be erected, altered, placed or permitted to remain on any Homesite other than one single detached dwelling, a basement (finished or unfinished), a garage for not more than three vehicles (which may include guest or employee quarters) and appropriate outbuildings incident to the single family residential use of the premises. Each of the Homesites and any permitted Residence Units constructed thereon shall be occupied only by the Owner (or Owners), his family, his servants and guests, or lessees, and shall be used only as a single family residence and for no other purpose. No Residence Unit may be divided or subdivided into a smaller unit nor any portion thereof separately sold, rented, leased, or otherwise transferred; provided that Homesites or portions thereof may be combined to form larger parcels than originally platted. Lease or rental to one or more tenants of an entire Residence Unit for residential purposes, subject to the other provisions of this Declaration, shall not be considered a violation of this covenant.

3.1.2 Nuisances. No nuisances shall be allowed upon any Homesite nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Common Elements, and the Homesites or Residence Units shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate. No damage to or waste of the Common Elements, or any part thereof, shall be committed by any Owner or his family, visitors, guests, servants, lessees, agents or invitees, and each Owner shall indemnify and hold the Association and the other Owners harmless against all losses resulting from any such damage or waste. No Homesite or Residence Unit Owner shall make or permit any use of his Homesite or Residence Unit, or make any use of the Common Elements, which will violate the provisions of the general documents or any insurance policy covering the Property.

969 93

3.1.3 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of any part of the Property, and all applicable laws, zoning ordinances and regulations of all governmental bodies shall be observed. The expense of complying with any such laws, ordinances or regulations which compliance requires maintenance, modification or repair of the Common Elements shall be borne by the Association unless necessitated by the misuse, misconduct or neglect of a Homesite Owner or Residence Unit Owner, or his family, visitors, guests, servants, lessees, agents or invitees, in which case such expense shall be assessed against such Owner.

3.1.4 Certain Structure Types Prohibited. Mobile, Modular and Manufactured Homes are prohibited. In the event of any question as to whether a proposed structure may be considered a prohibited Mobile, Modular or Manufactured Home, the Board shall decide based on the existing standards for construction in the Architectural Review Board Policies and Procedures.

3.1.5 Rules and Regulations. Rules and regulations adopted by the Board shall be binding upon the Owners, their families, visitors, guests, servants, lessees, agents, invitees, successors and assigns.

3.1.6 Fences, Walls and Landscaping. No fences or walls shall at any time be erected or maintained upon the Property or any Homesite, unless they are specifically approved by the Architectural Review Board or their designated representative. No chain link fences are permitted. Initial landscaping for each Residence Unit must be approved by the Architectural Review Board. Any annual plants approved for landscaping by the Architectural Review Board must be cared for by the Owner of the Homesite or Residence Unit.

3.1.7 Parking Areas. No Owner of a Homesite or Residence Unit shall park, store or keep any motor vehicle, boat, trailer, recreational vehicle or other vehicle upon the Property except in accordance with rules and regulations adopted by the Association. No person shall repair or restore any motor vehicle, boat, trailer, recreational vehicle or other vehicle upon any portion of the Property or Common Elements except for emergency repairs thereto, and then only to the extent necessary to enable movement thereof to a proper facility.

3.1.8 Waste Material Containers. No rubbish, trash, garbage or other waste material shall be kept or permitted upon any Homesite or the Common Elements except in sanitary containers located in appropriate areas and otherwise in accordance with rules and regulations adopted by the Association from time to time. No "hazardous substance" or "solid waste" as defined in any state or federal law shall be released, kept or maintained on any Homesite or portion of the Common Elements.

3.1.9 Signs. Unless prior written approval is obtained from the Association, no sign shall be posted on the Common Elements, or on any Homesite or Residence Unit or in any Residence Unit which will be visible from the exterior of such Unit.

3.1.10 Offensive Trade or Activity. No noxious or offensive trade or activity shall be carried on upon any building site, nor shall anything be done thereon which may be or cause an embarrassment, discomfort, annoyance or nuisance to the neighborhood. No trade materials or inventories may be stored upon the premises and no campers, recreational vehicle, motor home, trucks or tractors, boats or boat trailers may be stored or regularly parked on the premises, unless garaged and out of view, without prior written approval of Architectural Review Board. Unless approved in writing by the Architectural Review Board, no business activity or trade of any kind whatsoever, which shall include but not be limited to the use of any residence as a doctor's office or professional office of any kind, shall be carried on upon any building site.

3.1.11 No Temporary Structures. No structure of temporary character, tent, shack, trailer, camper, garage, or any other outbuilding, except for temporary structures used by Declarant in the operation, maintenance or development of the Property shall be used on any Homesite at any time as permanent or temporary residence, or dwelling, except under a temporary written permit which may be granted, upon specific time limitations of such use, in the discretion of the Architectural Review Board. Nor shall any of the facilities referenced above be placed on or erected on any Homesite or Homesites; provided, however, that the Architectural Review Board may grant permission for such temporary buildings or structures for the storage for materials during construction by the persons doing such work.

3.1.12 No Livestock. No livestock of any description may be kept or permitted on the Property with the exception of dogs, cats, and other animals which are bona fide household pets, and which do not make objectionable noise or constitute a nuisance or inconvenience to Owners of other Homesites or Residence

Units nearby. All pets shall be leashed when not on the Owner's Homesite, and shall otherwise be controlled by the Owner while on the Owner's Homesite such that the pet shall not have unrestrained access to property other than that of the Owner. Upon receipt of a written complaint regarding any dog, cat or pet, the Architectural Review Board may notify the Owner of such dog, cat or pet of the complaint and, after affording the Owner an opportunity to be heard, impose such restrictions upon the Owner regarding such dog, cat or pet as may be reasonably necessary to satisfy said complaint in the discretion of the Board. No raising, breeding, training or commercial dealing in dogs, cats or any other animals may be permitted on or from any Homesite or Residence Unit.

3.1.13 Off-Street Parking. Adequate off-street parking shall be provided by the Owner of each Homesite or Residence Unit being used as a building site and each Homesite or Residence Unit for the parking of automobiles owned by such Owner, or his guest. Owners of Homesites and Residence Units agree not to park their automobiles or other vehicles on the streets in the development. No commercial vehicles shall be parked on any street or Homesite longer than is reasonably necessary for the driver thereof to perform the business functions to which the commercial vehicle relates.

3.1.14 Recreational Facilities. No Homesite Owner or Residence Unit Owner in the development shall have any right to use any portion of the Common Elements comprised of recreational facilities unless the Homesite Owner or Residence Unit Owner has paid the applicable fees and assessments established by the Association.

3.1.15 Refuse. No Homesite shall be used or maintained as a dumping ground for rubbish, refuse or garbage. Garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the disposal or storage of such matter shall be kept in a clean and sanitary condition, and all incinerators shall be approved by the Architectural Review Board before installation or use. Burning of trash or refuse is prohibited without prior approval of the Architectural Review Board and the fire department authorized to serve the premises. Fires on any Homesite or any portion of the Common Elements are prohibited unless approved by the Architectural Review Board. No hazardous substance, waste or other toxic material shall be dumped, buried, injected, treated or disposed of on any Homesite or any portion of the Common Elements.

3.1.16 Antennas. No television or radio antennae, satellite receiver or towers may be erected or maintained anywhere upon the development without prior written consent of the Architectural Review Board upon such conditions as the Architectural Review Board may feel appropriate to minimize any visual impact of the structure to others.

3.1.17 Wash. No outside drying of any wash shall be permitted. All drying of wash must be done indoors. No exterior clothes dryer shall be erected, installed, or maintained outside any Residence Unit.

3.1.18 No Site Obstructions. No trees or shrubs shall be located on any Homesite which block the view of operators of motor vehicles so as to create a traffic hazard.

3.1.19 Unsightly Conditions. It is the responsibility of each Owner to prevent any unclean, unsightly, or unkept conditions of his Resident Unit or grounds on a Homesite of any owner which shall tend to materially decrease the beauty of the Planned Community. The Association shall have the option, but not the obligation, to ameliorate any such condition and charge such expense to the Owner as an additional assessment immediately due and payable collectible under the provisions of Article 6.

3.1.20 Discharge of Firearms. Hunting and trapping of wild animals, fowl and game and discharge of firearms and/or bows and arrows within the property is prohibited unless required for public or private safety.

3.1.21 Motorized Vehicles. All motorized vehicles operating within the Property must be properly muffled so as to eliminate noise which might be offensive to others.

3.1.23 Wetlands. Any Homesites that include areas designated as "wetlands" on any recorded plat of the Property shall be subject to the following additional restrictive covenant: "A portion of this Homesite has been determined to meet requirements for the designation as a regulatory wetland. Any subsequent fill or alteration of this wetland shall conform to the requirements of state wetland rules adopted by the State of North Carolina in force at the time of the proposed alteration. The intent of this restriction is to prevent additional wetland fill, so the property owner should not assume that a future application for fill will be approved. The property owner shall report the name of the subdivision in any application pertaining to said wetland rules. This covenant is intended to insure continued compliance with wetland rules adopted by the State of North Carolina and therefore benefits may be enforced by the State of North Carolina. This covenant is to run with the land and shall be binding on all parties and all persons claiming under them."

3.1.24 Stormwater Management Permit. Each Homesite is subject to and each owner shall also comply with all terms and provisions of the State Stormwater Management Permit Number SW8020717 attached to this Declaration. (SEE PAGE 15 A)

3.1.25 Street Lights. This Declaration subjects the real property owner in this subdivision to a contract with Carteret-Craven Electric Cooperative for the installation of the underground electrical utilities which may require an initial contribution and/or the installation of Street Lights, which will subject the property owner to a continuing monthly payment to CCEC.

ARTICLE 4

CONSTRUCTION ON HOMESITES / RESIDENCE UNITS

ARCHITECTURAL AND LANDSCAPE CONTROLS

4.1 Architectural Review Board. It is the intent of Declarant to create a general plan and uniform scheme of development of the Property and to create within the Property a residential community of high quality and harmonious improvements. The Declarant desires to provide for the preservation of the property values in the Planned Community with respect to any Residence Unit to be constructed on any Homesite and to that end, desires to establish an Architectural Review Board in order to provide and maintain certain standards as to harmony of external design and location in relation to surrounding structures and topography. Accordingly, the Architectural Review Board (the "Architectural Review Board") shall have the absolute and exclusive right to approve or disapprove all architectural, landscaping and

Page 15

BOOK 969 PAGE 93

(RESTRICTIONS REGARDING STORMWATER)

- 1.1 The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8020717, as issued by the Division of Water Quality under NCAC 2H.1000
- 1.2 The State of North Carolina is made beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.
- 1.3 These covenants are to run with the land and be binding on all persons and parties claiming under them.
- 1.4 The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.
- 1.5 Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.
- 1.6 The maximum allowable built-upon area per lot is 6000 square feet. This allotted amount includes any built-upon area constructed within the lot property boundaries, and that portion of the right-of-way between front lot lines and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.
- 1.7 Filling in or piping any vegetative conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings is strictly prohibited by any persons.
- 1.8 Each lot will maintain a 30' wide vegetated buffer between all impervious area and surface waters.
- 1.9 All roof drains shall terminate at least 30' from the mean high water mark of surface waters.
- 1.10 The "Reserved by Owners" areas are limited to a maximum total of 128,000 square feet of built upon area.

BOOK 969 PAGE 93 Page 15A

locating of any proposed improvements. The Architectural Review Board may, in its sole discretion, impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning or other governmental codes. The initial standards and procedures of the Architectural Review Board are set forth in Schedule C (the "Policies and Procedures").

4.2 Approval to Build. The Owner of a Homesite may build a Residence Unit thereon, subject to the following terms, conditions and restrictions:

4.2.1 Homesite Configuration. No residence shall be constructed, altered, placed or permitted to remain on any parcel in the Planned Community unless same is constructed upon a defined Homesite. The lay of the Homesites as shown on the recorded plat shall be adhered to; provided, however, Declarant and its successors and assigns, may revise and altar, with the prior written approval of the Architectural Review Board, the following: (a) the configuration of Homesites so that additional streets or access easements, either public or private, may be opened through any Homesite, and (b) the size and shape of any Homesite may be altered, provided no remaining or resulting Homesite may vary from the size of such Homesite as shown on the recorded plat by more than twenty percent (20 %) as to the width at street frontage or by more than fifteen percent (15 %) as to the Homesite. The Owner(s) of more than one (1) contiguous Homesite may apply to the Architectural Review Board for permission to use such properties as a site for a Single-Family Residence and upon the written consent of the Architectural Review Board, said contiguous parcels shall then be deemed to be a single "Homesite" for purposes of this Declaration, except that the Homesites shall continue to be treated as separate and distinct Homesites for purposes of voting and assessments. In the event of a split of a Homesite between two or more Owners of other Homesites, then they shall determine the allocation of the vote and assessment obligation between them and notify the Association. All setbacks and any reserved utility easements shall then apply to the new perimeter boundary of the combined Homesites.

4.2.2 Building Contractors for Residence Unit. Declarant reserves the right, at its sole option, for Declarant or the Architectural Review Board to designate the criteria for building contractors who may be employed by Owners to construct homes on a Homesite in the Planned Community which is the subject of these restrictions. The Architectural Review Board, at their election, may establish specific criteria for the building contractors to satisfy construction of homes within the Planned Community. Neither Declarant nor the Architectural Review Board have any obligation to establish the

