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Drawn by: and Mail To:  
Garth K. Dunklin  
Wishart, Norris, Hemminger & Pittman, P.A.  
6832 Morrison Boulevard  
Charlotte, North Carolina 28211

Filed for record  
Date 11.7.2001  
Time 9:20 o'clock a  
JUDY G. PRICE, Register of Deeds  
Union County, Marrow, North Carolina  
Folio 16-17-2001 - 1st

Filed for record  
Date 10.17.2001  
Time 11:55 o'clock a  
JUDY G. PRICE, Register of Deeds  
Union County, Marrow, North Carolina

COVENANTS, CONDITIONS AND RESTRICTIONS  
OF

75951

DRAYTON HALL ESTATES

THIS DECLARATION OF COVENANTS AND RESTRICTIONS OF DRAYTON HALL ESTATES SUBDIVISION is made as of this 16th day of October, 2001, by Stevens and Kontoulas Developers, LLC, a North Carolina limited liability company, hereinafter referred to as "Declarant", and any and all persons, firms, or corporations hereinafter acquiring any of the within described property or any of the property hereinafter made subject to this Declaration.

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Union County, North Carolina more particularly described by plat thereof recorded in Plat Cabinet G at Pages 669-670 in the Union County Public Registry, to which reference is hereby made for more complete descriptions; and

WHEREAS, Declarant has agreed to establish a general plan of development as herein set out to restrict the use and occupancy of the property made subject to this Declaration for the protection of the property and the future owners thereof; and

WHEREAS, Declarant desires to provide for the preservation of the values of the Property hereby made subject to this Declaration and for the preservation and maintenance of the Common Property established by the Declaration;

NOW, THEREFORE, in accordance with these recitals which by this reference are made a substantive part hereof, Declarant declares that all of the property described on said plat shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of Drayton Hall Estates and which shall run with said real property and be binding on all parties having any right, title or interest in the properties now or hereafter subjected to this Declaration or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Drayton Hall Estates Homeowners Association, Inc., a not for profit North Carolina corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to any contract buyer and/or the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of any of the property made subject to this Declaration, but excluding those having such interest merely as

RECORDED  
AND  
VERIFIED  
COS

-1-

This Declaration is being re-recorded to include the attached Consent of Mortgagee and Trustee.

Garth K. Dunklin  
Garth K. Dunklin, Drafting Attorney

security for the performance of an obligation, provided however, the Declarant shall not be deemed an Owner.

Section 3. "Property" shall mean and refer to that certain property shown on a plat recorded in Plat Cabinet G at Pages 669-670 in the Office of the Union County Register of Deeds, and shall also mean and refer to such revisions thereto and as may hereafter be made by Declarant. The terms "Property" and "Subdivision" are interchangeable.

Section 4. "Lot" shall mean and refer to any improved or unimproved building lot shown upon any recorded subdivision plat of the Property.

Section 5. "Dwelling Unit" shall mean and refer to the completed single family home located upon a Lot.

Section 6. "Declarant" shall mean and refer to Stevens and Kontoulas Developers, LLC, a North Carolina limited liability company, and its successors and assigns.

Section 7. "Common Property" shall mean all property owned by the Association for the common use and enjoyment of all or a designated class of members, including without limitation all existing and future roads and rights-of-way and all greenways, median strips, cul-de-sac centers, planting areas and recreational areas and all entry way, directional and informational signs (and the areas set aside for their location) and any other property as may be purchased or provided for the common use and benefit of the Declarant and the Owners, including without limitation such Common Property as may be shown on the recorded plats of the Property.

Section 8. "Committee" shall mean the Architectural Control Committee established by the Declarant for the purpose of administering architectural control as provided in Article V of this Declaration.

Section 9. "Manager" means James Kontoulas and Ronald M. Stevens, their successors and assigns, as provided for in the Operating Agreement, as amended, or by Chapter 57C of the North Carolina General Statutes under which the Declarant was formed and operates.

## ARTICLE II

### RIGHTS AND DUTIES OF THE ASSOCIATION AND PROPERTY OWNERS ASSESSMENTS

Section 1. Owner's Easement of Enjoyment. The Declarant and every Owner shall have a right and easement of ingress, egress, and regress over the Common Property and over the roads within the property, to be used in common with others, for the purpose of providing access to Lots owned or dwelling units owned by the owner for himself, his family, agents, licensees and invitees, subject to the provisions of this Declaration.

## Section 2. Annual Assessments.

(a) The Association shall have the right, from time to time, to establish a reasonable assessment to be paid by each owner to be used to pay the operating and administrative expenses of the Association, including without limitation, the maintenance, upkeep and repair of all streets, roads, road rights-of-way, and other Common Property, and the salaries, administrative office and other expenses necessary or useful to maintain and operate the Association (including, without limitation, the procuring, maintenance and paying the costs, of insurance related to the Common Property and of surety and other bonds related to the management of the Common Property and the Association), it being understood (by way of example and without limitation) that the assessment funds shall be usable for such matters concerning Common Property as the following: seeding and re-seeding road rights-of-way and Common Areas; erosion control; repairing of road shoulders; surfacing, patching and resurfacing of road pavement; placement of gravel; and planting and maintenance of shrubs, trees and seasonal flowers.

(b) Commencing January 1, 2002, the annual assessment shall be \$500.00 per lot payable by the Owner thereof, which annual assessment shall be due and payable quarterly on January 1, April 1, July 1 and October 1 of each year or at such other time or times as hereinafter provided by the Board of Directors of the Association.

(c) The annual assessment may be increased or decreased during any calendar year by the Board of Directors of the Association without a vote of the membership, to an amount not more than five percent (5%) in excess of the annual assessment for the previous year. A majority vote of each class of voting for the previous year. A majority vote of each class of voting members of the Association must approve an increase or decrease in the yearly assessment if the increase or decrease exceeds the assessment for the previous year by more than five percent (5%).

(d) Not later than December 1 of the year in which annual assessments commence, and on the same date of each year thereafter, the Board of Directors of the Association shall have determined and shall have given written notice to each owner of the annual assessment affixed against each owner for the immediately succeeding calendar year.

## Section 3. Special Assessments

(a) In addition to the annual assessment referred to above, a one-time special assessment of \$250.00 shall be payable to the Association for every Lot purchased from the Declarant whether by deed or by land sales contract, such assessment to be due and payable upon the closing of such purchase. This assessment shall be used, in part, to defray the costs of Architectural review as provided for by Article V hereof. This one time special assessment shall be transferable in that: (1) upon the payment of the special assessment by the original purchaser of a Lot from the Declarant, the Association shall deem the special assessment satisfied so that no subsequent Owner of that Lot shall be obligated to pay such special assessment again, and (2) the original Lot purchaser from the Declarant and every seller of that Lot thereafter shall have the right, to seek from the purchaser from such seller the reimbursement of this special

assessment. Neither the Declarant nor the Association shall have any duty to seek such reimbursement for the benefit of any person or party.

(b) In addition to the annual assessment, the Association may levy yearly special assessments in any calendar year from the purpose of supplementing the annual assessment if the same are inadequate to pay the reasonable maintenance expenses and operating costs of the Association as described in Section 2 (a) hereof; provided that any such special assessments shall have the assent of a majority of each class of the voting members of the Association at a duly called meeting. A special assessment may differ in amount as between owners of Dwelling Units and owners of unimproved Lots, provided that any difference is reasonable and equitably determined.

Section 4. Removal of Obstructions and Unsightly Growth, Debris and Materials.

(a) The Association without notice, may remove any obstructions of any nature located within road rights-of-way or other Common Property (including but not limited to trees, shrubs, and mailboxes) which, in the opinion of the Association, either might produce a hazard or might interfere with the ability or willingness of the State of North Carolina (or agency or department thereof) to take over the responsibility for maintenance of the roads. The Association shall have the right to use assessments collected for maintenance of roads, road rights-of-way and other Common Property (as such assessments are provided for elsewhere herein) for taking steps which are reasonably necessary or desirable to accomplish the said removal of obstructions.

(b) The Association shall have the right, in its sole discretion, to charge back the actual cost to it of removing obstructions against the Owner who directly or through his agents, contractors or invitees caused or permitted the obstruction to be placed in the road right-of-way or other Common Property, and such Owner shall indemnify and save the Association harmless from all liability, claims, damages and expense imposed upon the Association, at law or in equity, caused by or resulting from the placement of the obstruction in the road right-of-way or other Common Property. In the event that the Owner responsible for such charge or liability, as aforesaid, fails and refuses, after demand by the Association to pay said charge or liability, then the Association shall have a lien against his Lot thereon and may enforce collection of the charge or liability, together with reasonable attorneys' fees, by any and all remedies afforded by law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the end that such charge or liability shall become a charge against the said lot or dwelling unit.

(c) If the Association, in its sole discretion, determines that any Lot has become unsightly due to grass or weeds being left unmowed, or due to debris of any nature having accumulated on the Lot, then the Association shall have the right from time to time to enter the said Lot for the purpose of mowing the grass or removing the debris. At least ten (10) days prior to entering a Lot for said purpose, the Association shall advise the Owner by letter, sent to his last-known address, of the action to be taken if the Owner does not remedy the problem within the said ten (10) day period. The Association shall take reasonable steps to avoid damage to any trees planted on such Lot, to the extent that the Association has been put on written notice in

advance by the Owner of the approximate location on a chart or map of such Lot showing the location of planted trees to be avoided.

(d) The Association shall have the right, in its sole discretion, to pay from the above-described assessments, such costs as are reasonably necessary to allow it to cut the grass, weeds and underbrush and to remove debris and to charge the Owner of the Lot with the actual cost of the Association of such cutting and/or removal. In the event that such Owner fails or refuses, after demand by the Association, to pay such cost, then the Association shall have a lien against said Lot for such cost and may enforce collection of said cost, together with reasonable attorneys' fees by any and all remedies afforded by law or in equity, including, without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the end that such unpaid cost and said associated collection expenses shall be a charge against said Lot.

Section 5. Duty to Make Repairs. Until accepted for maintenance by governmental authority, the obligation for the repairs, maintenance and improvements of the roads as shown on the aforesaid plat or any other common property shall be the responsibility of the Association with the Owner of each Lot except as provided herein, being responsible for payment of the assessments levied by the Association, which assessments shall be the personal obligation of the Owner of each Lot.

The decision to expend Association funds to repair and maintain the roads or other Common Property shall be made by a majority of the Board of Directors of the Association. By such vote, the Board may delegate such authority to any committee of the Board. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Lot.

Notwithstanding the foregoing, each owner of a Lot shall be solely responsible for any repairs to a road right-of-way or other common property caused by the negligent act or acts of said owner, his or her invitees, agents, licensees, or guests. For these purposes, it shall be a negligent act for any building material to be unloaded on any road or road right-of-way.

Section 6. Late Charges and Interest on Unpaid Assessments. Any assessment not paid within thirty (30) days after the due date shall be subject to such late charges and shall bear interest at a rate per annum as shall be determined by the Board of Directors of the Association, which interest rate shall not exceed the highest rate of interest allowed by law. The initial late charge imposed for late payment of any assessment is \$25.00 and shall be charged as to any assessment that is not paid within thirty (30) days of its due date. The initial interest rate for late payment is 18% per year (1.5% per month) which shall commence to accrue on any assessment or other account balance that is not paid within thirty (30) days of the date due. The initial date upon which liens may be filed for failure to make payment of assessments and other charges is thirty (30) days after the due date. The Board of Directors may change the initial late charge, interest rate, due dates and lien assessment dates by majority vote of the Directors.

Section 7. Lien for Unpaid Assessments.

(a) In the event that the Owner of any Lot fails and refuses, after demand by the Association, to pay any annual or special assessment, then the Association shall have a lien against said Lot and may enforce collection of said assessment, together with reasonable attorneys' fees, by any and all remedies afforded by law or in equity, including, without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the end that such unpaid assessment together with the costs and expenses of collection, including without limitation, reasonable attorneys fees, shall be a charge and lien against the said Lot.

(b) To secure the payment of the annual and special assessments as are levied by the Association, together with the costs of collection, including attorneys' fees, all such charges shall be a continuing lien upon the Lot against which the assessments are made. Such charges shall also be the personal obligation of the person(s) who were the owner or owners of such Lot at the time the assessment came due. The personal obligation shall remain a lien upon the Lot upon transfer of title but shall not become the personal obligation of the purchasers thereof unless expressly assumed by them.

(c) Neither the assessments nor the costs of collection shall be a lien upon any Common Property nor shall the lien upon any Lot for such charges be senior to any first lien mortgage or first lien deed of trust regardless of the fact the lien arose prior to the date and time of recording of any such first lien mortgage or deed of trust. Neither shall any first mortgagee nor the beneficiary of any such first lien deed of trust nor any federal or state agencies or instrumentalities (including, without limitation, the Veterans Administration and the Federal Housing Administration) that acquire title to any such Lot whether as a result of foreclosure of said Lot or the conveyance to the holder of such indenture in lieu of foreclosure or as the result of any such agency or instrumentality becoming the owner of such Lot as a result of having insured or guaranteed the loan secured by the mortgage or deed of trust that was subject to foreclosure or a deed in lieu thereof.

Section 8. Other Association Programs and Benefits. Additionally, the Association shall provide such other programs and benefits for the Owners approved by a majority vote of a quorum of each class of members present in person or by proxy at meeting duly called for such purpose at which a quorum was present and acting throughout. The Declarant shall have no obligation for any such assessment or other costs or expenses with regard to any Lot owned by it or with respect to assessments accrued as to any Lots to which Declarant obtains title, either due to breach of sales contracts, deeds in lieu of foreclosure, or by foreclosure.

ARTICLE III

MEMBERSHIP, VOTING RIGHTS, OFFICERS AND MEETINGS

Section 1. Membership. Every Owner of a Lot which is subject to this Declaration shall be a member of the Association. Membership is apportioned to and may not be separated from a Lot. The Declarant shall also be a member so long as it owns property within the Subdivision.

Section 2. Class Membership Voting. The Association shall have two (2) classes of membership:

Class A

Class A members shall be all Lot Owners with the exception of Declarant, and shall be entitled to one vote for each Lot owned. When more than one (1) person owns an interest in a Lot all such persons shall be members but the vote for such Lot shall be exercised as they, among themselves, shall determine in writing, which writing shall be filed with the Secretary of the meeting prior to voting, but in no event shall more than one vote be cast with respect to any Lot.

Class B

- (a) Class B members shall be entitled to vote three (3) votes for each Lot owned. Class B membership shall consist of the Declarant, until the happening of either of the following events, whichever occurs earlier:

1. The earlier of the date seventy-five (75%) percent of all the Lots in the Subdivision are sold and conveyed by the Declarant to unrelated third parties or person or five years; or

2. At such time as Declarant voluntarily relinquishes majority control of the Association by a duly recorded instrument.

- (b) Upon the happening of the earlier of either of the two above-described events, Class B membership (described hereinafter) shall cease and terminate and shall be converted to Class A membership.

Section 3. Board of Directors. There shall be five (5) members of the Board of Directors of the Association who shall serve until such time as their successors are duly elected and agree to serve. The Directors shall have annual meetings and such other meetings as may be called at the request of the President of the Association or by any two (2) directors. So long as the Declarant, or its successors or assigns is the Class B member, it shall select the Board, provided it must select two (2) of the members from the Lot Owners other than the Declarant.

Section 4. Suspension of Voting Rights. The Association shall have the right to:

- (a) Suspend the voting rights (if any) of an Owner for any period during which assessment on his Lot remains unpaid and enforce collection of the same; and

(b) Suspend the voting rights (if any) of each Owner who is a contract buyer for any period of time during which payments to the Declarant pursuant to terms of said contract are delinquent during which period of time the Declarant shall succeed to the voting rights of said contract buyer.

## ARTICLE IV

## CONVEYANCE OF COMMON PROPERTY

Declarant by deed will convey its right, title and interest in and over the road rights-of-way and any other Common Property within the Subdivision to the Association.

## ARTICLE V

## ARCHITECTURAL CONTROL

Section 1. Except with the building site, no trees of any kind in excess of 12 inches in diameter may be removed without the prior written approval of the Committee. No building, fence, wall, outbuilding or any other accessory feature to the dwelling or any other structure upon any Lot shall be commenced, erected, placed, maintained or altered on any Lot or combination of contiguous Lots, until the complete construction plans (the "Plans") are approved, in writing, by the Committee or its designated agent.

Section 2. The Plans include the complete construction plans, the plot plan (showing proposed location and elevation of such building, fences, walks, drives, parking area, etc.), proposed building plans and specifications, exterior color, finish and materials and the proposed landscaping plan shall be submitted to the Committee, together with a fee of \$125.00, for approval thereof. The areas over which the approval shall be required shall include but shall not be limited to the size and plan of the principal residential structure, and all accessory buildings, the location of the principal residential structure and all accessory buildings, structures and improvements on the lot, the size and plan of the garage or attached carport, location and manner of construction of each driveway, swimming pool, utility building, patio, tennis court and other improvements for athletic, recreational or gymnastic purposes, and all other exterior improvements, the composition and color of raw and finished materials used on the exterior of all structures and the location and type of any shrubbery and other plantings. The Committee or its designated agent shall have fifteen (15) days after physical receipt of the Plans to accept or reject the same in whole or in part. If no response by the Committee has been made in writing within said fifteen (15) days, the Lot Owner or his builder shall notify the Committee c/o the managing partner of the Declarant by certified mail at address for such notices set forth in the current edition of the Architectural Guidelines for the Subdivision that no response has been made to the plans submission and that the Committee has fifteen (15) days left to make such response or the plans will be automatically approved as submitted. Thereafter, if no approval is given within fifteen (15) days after such notice is given the Committee, the Plans shall be deemed to be approved as submitted. After the Plans are approved and after the Committee gives written permission for construction to begin, the actual construction shall be commenced and completed in accordance with the approved Plans, together with the requirements of the Declaration. The actual construction shall be the responsibility of the Owner of the Lot and his builder.

Any permission granted for construction under this covenant shall not constitute or be construed as approval by the Declarant or the Committee or its designated agent of the structural stability,



design or quality of any building or other improvement. The Committee shall have the right to waive minor setback violations, not to exceed a variance of 10% in any single instance, when the remedial costs of correcting such violation opinion, impose undue hardship upon the Owner who violates such setback. The architectural control approval as provided herein shall remain in the Declarant, or its successors and assigns. The Declarant shall appoint all members of the Committee until such time as the principal use has been established and a certificate of occupancy granted for the house constructed on each Lot in the Subdivision. Thereafter the right of approval set forth herein shall be vested in a committee composed of three (3) persons who shall be elected by a majority vote, at a meeting of the Association called for, among other things, such purpose.

Section 3. In the event that no construction is begun in accordance with plans submitted in accordance with Section 1 hereof within ninety (90) days of the approval or deemed approval thereof, then, in that event, it shall be required that such plans and specification shall be deemed no longer approved and it shall be required that the terms and provisions of Section 1 shall again apply to any new construction on any Lot.

Section 4. In the event that new construction on any lot shall be commenced with any builder other than Kontoulas Custom Builder & Design Contractors, Inc., Stevens Construction Group, Inc. or a builder expressly authorized in writing by Declarant, the provisions of Article VI hereof shall apply, as if such lot were vacant and the right to seek enforcement hereof by injunction is expressly agreed to by any owner of a lot hereunder.

#### ARTICLE VI

#### DECLARANT'S RIGHTS OF FIRST REFUSAL AND OPTIONS TO PURCHASE

Section 1. Before any unimproved Lot (or any Lot subject to the provisions of Article V, Section 4 hereof) may be sold to any person, firm or corporation other than the Declarant or its successors, the Owner or Owners of such Lot shall offer first in writing, to sell the Lot to the Declarant or its successors at a price equal to the contract purchase price to such Owner of an unimproved Lot who wishes to sell such Lot (excluding all finance charges related to the purchase) which contract price shall be increased by 5% simple interest per year from the closing date of the purchase by such Owner of an unimproved Lot to the date the written offer is made to the Declarant or its successors less the costs of removing all liens and encumbrances and customary Seller's closing costs. If the Declarant or its successor does not accept or reject in writing said offer of sale within thirty (30) days from the date of receipt of same, then the Owner or Owners of such Lot shall have the right to sell the same without any further additional obligation to offer the same to the Declarant. This Section shall not be applicable with respect to any foreclosure sale of a first lien deed of trust or first lien mortgage or deed in lieu thereof which deed is made and delivered in good faith.

Section 2. In the event that any Owner fails to commence construction of a Dwelling Unit, without the Declarant's prior written approval, within one hundred twenty (120) days of the date the Owner acquires legal or equitable title to the Lot, then the Declarant, its successors or

assigns, shall have the right and option exercisable at any time within three (3) years after the expiration of said one hundred twenty (120) days by written notice to the Owners, to purchase said Lot at the original purchase price increased by 5% simple interest per year from the closing date to the date Declarant exercises its option less the costs of removing all liens and encumbrances upon the Lot and less customary seller's closing costs.

#### ARTICLE VII

#### GENERAL USE RESTRICTIONS

Declarant does hereby covenant and agree with all persons, firms or corporations hereafter acquiring title to any portion of the Property, that the Property is hereby subject to restrictive covenants as to the use thereof:

Section 1. Except as otherwise provided in this Declaration, the Lots shall be used for residential purposes only, and no structure shall be erected, placed, altered or permitted to remain on any lot other than one detached, single-family dwelling, together with outbuildings customarily incidental to the residential use of the lot, except that Declarant reserves the exclusive right to construct a roadway over any Lot owned by it in order to grant access to other property acquired by Declarant and in such cases, the remainder of any such lot nor used for the roadway shall still be subject to this Declaration.

Section 2. Each single family dwelling shall have an enclosed, heated living area of the main structure, exclusive of open porches, garages, and other unheated spaces, of not less than Two Thousand Seven Hundred (2,700) square feet if one story, Two Thousand Eight Hundred (2,800) square feet if one and one-half stories or Three Thousand (3,000) square feet if two stories. All residential dwellings must have an attached or detached garage or carport accommodating at least two vehicles under roof.

Section 3. Garages and carports shall have only rear or side car entrance in relation to the "front line" of the Dwelling Unit or Lot on which the same is located. All driveways shall be constructed of concrete or other decorative type of material approved by the Committee.

Section 4. More than one (1) Lot (as shown on said plats) or parts thereof, may be combined to form one (1) or more Lots by (or with the written consent of) Declarant, or its successors or assigns, and in such event the building line requirements prescribed herein shall apply to such Lots, as combined. No Lot may be subdivided by sale or otherwise, except Declarant, its successors and assigns, reserves the right to subdivide any Lot which it owns. Upon combination or subdivision of Lots, the easements reserved herein shall be applicable to the rear, side and front lot lines of such Lot as combined or subdivided.

Section 5. Construction of new residential buildings only shall be permitted, it being the intent of this covenant to prohibit the moving of any existing building or portion thereof on a Lot and remodeling or converting the same into a dwelling unit in this subdivision excepting however Declarant's mobile offices provided for hereinbelow. Any dwelling constructed upon a

lot must be completed within one (1) year subsequent to commencement of construction, except with the written consent of Declarant, its successors or assigns.

Section 6. No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No animals or poultry of any kind may be kept or maintained on any of said Lots, except a reasonable number of dogs and cats and other indoor household pets such as goldfish, tropical fish, and caged songbirds that shall be kept as household pets, and further except that some Common Property may be devoted to equestrian purposes. Dogs must be leashed off the Owner's Lot. No dogs shall be permitted to roam the Property and the Association may have strays and dogs that are not leashed and are found off their Owner's Lot picked up by governmental authorities.

Section 7. Declarant shall be permitted to erect one or more mobile offices or houses on any Lots that it owns for the purpose of maintaining sales information centers and construction coordination offices.

Section 8. Water and sewage disposal shall be by community systems. The costs of tap fees and monthly service shall be borne by the Owner of each Lot. No wells can be located on any Lot without the approval of the Committee.

Section 9. Except for stump burial pits located with the prior approval of the Committee, no portion or part of any Lot shall be used or maintained as a dumping ground for rubbish or other refuse. Trash, garbage, or other waste shall not be kept, except in sanitary containers screened from view from all roads, other Lots and the Common Property.

Section 10. Easements ten (10) feet in width along the Lot lines of all Lots are reserved for installation, repair, replacement and maintenance of utilities, including the right to keep said easements free and clear of all obstructions. An easement of fifteen (15) feet is reserved for such purposes along the rear line of all Lots that do not adjoin other Lots or properties within the Subdivision. A perpetual easement fifteen (15) feet in width is reserved for the use and benefit of, and hereby granted to, the Association along each side of the first four hundred (400) feet (as measured from the center line of Crane Road) of Cheverny Drive's right of way margin for the location and maintenance of trees and other landscape plantings, and in this regard the Association is granted free rights of ingress, egress and regress, from time to time, as may be advisable to plant, seed, prune, fertilize, spray and otherwise care for such trees and plantings.

Section 11. All mailboxes shall be of a uniform type, size, materials, and color approved in advance and designated for use by the Committee.

Section 12. No outside clotheslines shall be permitted. No outside antennae or satellite dishes shall be permitted unless concealed from view from all Lots and open space, with the design of enclosures are approved by the Committee.

Section 13. Unless located within enclosed garages, no house trailer, travel trailer, motor home, ship, boat, raft, float, boat trailer, camper, tent, shed, truck (in excess of a 1 and ½ ton

pick-up truck) or any other such vehicle, trailer, vessel or temporary structure shall be kept or maintained or located upon any Lot. No vehicles that are disabled or under repair shall be kept upon any Lot unless located within enclosed garages. No aluminum sheds, plywood barns or sheds or outbuildings shall be allowed on any Lot.

Section 14. No signs of any description shall be displayed upon any Lot with the exception of rental or sales signs which must be approved by the Committee in advance as to size, content, color and materials.

Section 15. Nothing herein contained shall be construed as imposing any covenants and restrictions on any property of the owner of this subdivision other than the property that is subjected to the Declaration.

## ARTICLE VIII

### CAPTIONS, ENFORCEMENT AND INVALIDATION

Section 1. Whenever the context and construction so require, all words used in the singular number herein shall be deemed to have been used in the plural, and vice versa, and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine.

Section 2. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration nor the intent of any provisions hereof.

Section 3. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. In the event it is necessary to enforce this Declaration by appropriate legal or equitable proceedings, the party or parties violating or attempting to violate the same shall be liable for the cost of such proceedings including reasonable attorney's fee.

Section 4. Invalidation of any one or more of these covenants by judgment or court shall not adversely affect the balance of this Declaration, which shall remain in full force and effect.

Section 5. The Declarant reserves the right to amend this Declaration from time to time without joinder of any of the Owners for the following purposes:

- (a) To clarify the meaning of or to correct clerical errors in the Declaration;
- (b) To correct grammar, spelling, capitalization and other matters of syntax; and
- (c) To modify the provisions of the Declaration in order to comply with the requirements of the Federal National Mortgage Association ("FNMA") and the

Federal Home Loan Mortgage Association ("FHLM") so that subdivision approval may be obtained from FNMA and FHLMC.

All amendments to this Declaration shall require an affirmative vote of at least seventy-five (75%) percent of the then Owners of Lots.

ARTICLE IX

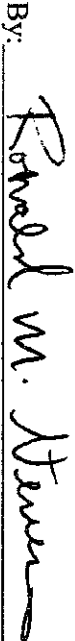
THIS DECLARATION RUNS WITH THE LAND

These covenants are to run with the land and shall be binding on all parties and 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 signed by seventy-five (75%) percent of the then Owners of Lots has been recorded agreeing to change said covenants in whole or in part.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed this 16th day of October, 2001.

STEVENS AND KONTOLAS DEVELOPERS, LLC

By:   
James Kontoulas, Manager

By:   
Ronald M. Stevens, Manager

BK 1666 PG 320

BK 1679 PG 520

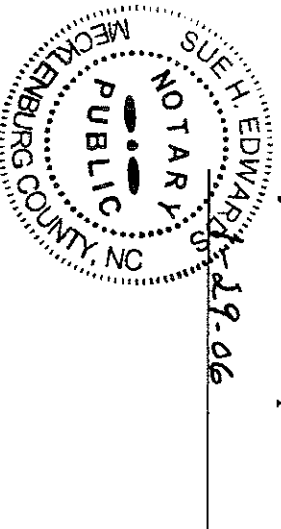
NORTH CAROLINA  
MECKLENBURG COUNTY

I, a Notary Public of the County and State aforesaid, certify that Jimmy Kontoulas and Ronald M. Stevens, Managers of Stevens and Kontoulas Developers, LLC, personally appeared before me this day and acknowledged the execution of the foregoing instrument as Managers and on behalf of said limited liability company.

Witness my hand and official stamp or seal, this 16<sup>th</sup> day of October, 2001.

Sue H. Edwards  
Notary Public

My commission expires:



NORTH CAROLINA - UNION COUNTY  
The foregoing certificate of  
Sue H. Edwards

Sue H. Edwards Notary Public  
is/are certified  
to be correct. Filed for record this 17<sup>th</sup> day  
of Dec, 2001 at 11:55 am

JUDY G. PRICE, REGISTER OF DEEDS  
BY: Suzanna Ciccio  
Notary Public

CONSENT OF MORTGAGEE AND TRUSTEE

CENTRAL CAROLINA BANK AND TRUST COMPANY, a North Carolina banking association ("Mortgagee"), owner and holder of that certain Deed of Trust (the "Deed of Trust") recorded in Book 1369 at Page 236 of the Union County Public Registry, does hereby consent to the recordation of the foregoing Declaration of Easements, Restrictions and Covenants (the "Declaration") (to which this Consent of Mortgagee and Trustee is attached) and the imposition of the provisions thereof (as provided therein) on the real property encumbered by the Deed of Trust; and Mortgagee does hereby consent to the subordination of the lien of the Deed of Trust to the provisions of the Declaration, except that (i) this subordination shall not be applicable to any liens or assessments created or arising under the Declaration, and (ii) no violation of the Declaration shall defeat or render invalid the lien of the Deed of Trust. The execution of this Consent of Mortgagee and Trustee by the Mortgagee shall not be deemed or construed to have the effect of creating any relationship of partnership or of joint venture nor shall anything contained hereunder be deemed to impose upon Mortgagee any of the liabilities, duties or obligations of Declarant under the Declaration. Mortgagee executes this Consent of Mortgagee and Trustee solely for the purposes set forth herein. The Trustee under the Deed of Trust also joins in and executes this Consent of Mortgagee and Trustee as Trustee under the Deed of Trust for the purposes herein set forth.

IN WITNESS WHEREOF, the undersigned have caused this Consent of Mortgagee and Trustee to be duly executed and sealed as of the 29th day of October, 2001.

**MORTGAGEE:**

CENTRAL CAROLINA BANK AND TRUST  
COMPANY, a North Carolina banking association

By: Ramona M. Shuckley  
Its: Assistant Vice President

ATTEST:

[Signature]  
Assistant Secretary

[Corporate Seal]

**TRUSTEE:**

SOUTHLAND ASSOCIATES, INC.

By: [Signature]  
Its: Vice President

ATTEST:

[Signature]  
Assistant Secretary

[Corporate Seal]

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

I, a Notary Public of the County and State aforesaid, certify that Robert Dennehy, personally appeared before me this day and acknowledged that (s)he is Asst. Secretary of Central Carolina Bank and Trust Company, a North Carolina banking association, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Asst. Vice President, sealed with its corporate seal and attested by (him)(her) as its Asst. Secretary.

Witness my hand and official seal/stamp, this 29th day of October, 2001.

NOTARIAL SEAL

My commission expires: 08-08-2006

Deanne M. Price  
Notary Public

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

I, a Notary Public of the County and State aforesaid, certify that Elaine H. Swink, personally appeared before me this day and acknowledged that (s)he is Asst. Secretary of Southland Associates, Inc., and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by (him)(her) as its Asst. Secretary.

Witness my hand and official seal/stamp, this 29th day of October, 2001.

NOTARIAL SEAL

My commission expires: 08-08-2006

Deanne M. Price  
Notary Public

NORTH CAROLINA - UNION COUNTY  
The foregoing certificate(s) of

Notary Public  
of \_\_\_\_\_  
were certified  
to be correct \_\_\_\_\_ day  
of \_\_\_\_\_ at \_\_\_\_\_

JUDY G. PRICE, REGISTER OF DEEDS  
BY: \_\_\_\_\_  
Asst./Dept