

See App. Rest. See App. Rest. See Restrictions  
 BK 1304 PG 347 BK 1322 PG 254 BK 1083 PG 30  
 See App. Rest. See Root  
 BK 1068 PG 57 BK 1134 PG 411

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Drawn by and attested  
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Filed for record  
 Date 3/1/98  
 Time 3:16 P.M.  
 JUDY G. ROSS, Register of Deeds  
 Union County, North Carolina

NORTH CAROLINA  
 UNION COUNTY  
 DECLARATION OF COVENANTS,  
 CONDITIONS AND RESTRICTIONS FOR  
 HOLLY PARK

THIS DECLARATION, made on this 2<sup>nd</sup> day of March, 1998, by  
 THE MATHISEN COMPANY, a North Carolina corporation, hereinafter referred to as  
 the "Declarant".

037273 WITNESSETH:

THAT WHEREAS, the Declarant is the owner of certain real property lying  
 within Union County, North Carolina, more particularly described as follows:

BEING all that property shown and delineated on map of HOLLY PARK,  
 Phase 1, Map 1 which is recorded in Plat Cabinet E, File No. 015, in  
 the office of the Register of Deeds for Union County, North Carolina.

WHEREAS, said property is subject to all obligations, restrictions, limitations,  
 covenants, etc.,

WHEREAS, Declarant will convey the property described above as well as other  
 property which may be annexed hereunder made subject to this Declaration and certain  
 conditions, restrictions, reservations, liens and charges as hereinafter set forth:

NOW, THEREFORE, Declarant hereby declares that all of the properties  
 described above shall be held, sold and conveyed subject to the following easements,  
 restrictions, covenants and conditions, all of which are for the purpose of enhancing  
 and protecting the value, desirability, and attractiveness of the real property. These  
 easements, covenants, restrictions, and conditions shall run with the real property and  
 shall be binding on all parties having or acquiring any right, title or interest in the  
 described properties or any part thereof, and shall inure to the benefit of each owner  
 thereof.

See Rest. loc  
 BK 3243 PG 25  
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 BK 3243 PG 25  
 BK 3243 PG 25

Map to: THE MATHISEN COMPANY  
 1205 Cedar Creek, SE-210  
 Winston-Salem, NC 28079

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1. DEFINITIONS

1.1. "Additional Properties" shall mean all or any portion of the real property which may be annexed to this Declaration,

1.2. "Amenities" means the facilities, if any, constructed, erected or installed on the Common Areas.

1.3. "Association" shall mean and refer to Holly Park Homeowners Association, Inc., its successors and assigns.

1.4. "Board of Directors" or "Board" mean those persons elected or appointed and acting collectively as the Directors of the Association.

1.5. "Builder" means any party licensed as a General Contractor in the State of North Carolina who purchases a Lot from Declarant for the purpose of constructing thereon a Home for resale to one of its customers.

1.6. "Common Area" shall mean all real property owned by the Association and the easements granted thereto for the common use and enjoyment of the Owners. The Common Area to be owned by the Association shall be described in deeds to the Association and designated as such on each recorded map of the Property.

1.7. "Common Expenses" means:

(a) All sums lawfully assessed by the Association against its members;

(b) Expenses of administration, maintenance, repair or replacement of the Common Area;

(c) Expenses declared to be common expenses by the provisions of this Declaration or the Bylaws;

(d) Expenses agreed by the members to be Common Expenses of the Association;

(e) Expenses for maintenance of private alleyways, if any, as provided in this Declaration;

(f) Hazard, liability or such other insurance premiums as the Declaration or the Bylaws may require the Association to purchase;

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(g) Ad valorem taxes and public assessment charges lawfully levied against Common Acreas; and

(h) Unpaid assessments resulting from the purchase of a Lot at a foreclosure sale (such assessment shall be collectible from all members of the Association, including the purchaser at the foreclosure sale, his successors and assigns).

1.8. "Declarant" shall mean and refer to THE MATHISEN COMPANY, a North Carolina corporation, its successors and assigns, if such successors or assigns should acquire all undeveloped portions of the Property from the Declarant for the purpose of development, or if such successors or assigns should acquire any portion of the Property, whether developed or undeveloped, pursuant to foreclosure or a deed in lieu of foreclosure of a deed of trust other than a deed of trust securing only the financing of the construction of a Home or Homes upon a Lot or Lots or a multi-family housing project on a Master Lot.

1.9. "Declaration" means this Declaration of Covenants, Conditions and Restrictions.

1.10. "Home" means a single family dwelling or place of residence constructed upon a Lot within the Property.

1.11. "Lot" shall mean any plot of land intended for use as a Master Lot, as defined below, or as a single family Home site as shown upon any recorded subdivision map of the Property.

1.12. "Lot in Use" shall mean any Lot owned by any person other than Declarant or a Builder, and as to those Lots owned by Declarant or a Builder, any Lot on which a dwelling unit has been fully constructed and for which a certificate of occupancy has been issued by the appropriate governmental agency. In no event shall it mean a Lot owned by the Declarant or a Builder for which no certificate of occupancy has been issued with respect to a dwelling unit constructed thereon.

1.13. "Master Lot" means any parcel of land within the Property which is intended to be developed into a multi-family project, such as town homes or condominiums, or any other type of planned unit development.

1.14. "Member" shall mean and refer to every person or entity who holds membership in the Association. There shall be two classes of voting membership in the Association.

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A. "Class A Members" shall be all those Owners as defined in Article III herein, with the exception of the Declarant. Declarant may, however, be a Class A member upon termination of Class B membership.

B. "Class B Member" shall be the Declarant as defined herein.

1.15. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

1.16. "Person" means any individual, corporation, partnership, association, trustee, or other legal entity.

1.17. "Property" shall mean and refer to that certain real property made subject to this Declaration and such additions thereto as may hereafter be made subject to this Declaration and brought within the jurisdiction of the Association.

## 2. PROPERTY RIGHTS.

2.1. Title to Common Area. The Declarant shall convey fee simple title in the Common Area to the Association, subject to the current and subsequent years ad valorem taxes, and rights-of-way, restrictive covenants and easements of record. Conveyance of title to the Common Area to the Association shall be done promptly after the recording of the plat reflecting that particular Common Area and, in any event, prior to the sale by the Declarant of the first Lot included in that plat.

2.2. Owners' Easement of Enjoyment. Every Owner shall have a right and easement of use and enjoyment in and to the Common Area (the "Owners' Easement"), including specifically an easement for access, ingress and egress from and to public streets, common parking, and walkways. The Owners' Easement shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

A. Dedication and Transfer of Common Area: Subject to all applicable governmental ordinances, the Association's right to dedicate or transfer fee simple title to all or any part of the Common Area to any public agency, authority, utility, or non-profit corporation. No such dedication or transfer shall be effective unless approved by two-thirds (2/3) of each Class of Members and an instrument of dedication or transfer executed pursuant to such approval has been recorded in the appropriate County Registry. Any dedication or transfer shall be made

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subject to that portion of the Owners' Easement providing for access, ingress and egress to public streets, parking, and walkways.

B. **Borrowing for Improvements.** The Association's right, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and to mortgage those properties to secure those borrowings; provided the mortgage has been approved by two-thirds (2/3) of each Class of Members and is subordinate to the Owners' Easement.

C. **Rules and Regulations.** The Association's right to impose and enforce rules and regulations which may restrict the use and enjoyment of the Common Areas and/or Amenities.

D. **Additional Easements.** The Association, Declarant shall have the authority to grant and/or establish upon, over, under and across the Common Areas further easements (including, but not limited to those provided in this Declaration) as are required for the convenient use and enjoyment of the Property.

E. **Admission and Other Fees.** Subject to all applicable governmental ordinances, the right of the Association to charge reasonable admission and other fees for the use of any Amenities.

F. **Suspension of Use of Common Area.** The right of the Association to suspend the voting rights and the right to use any Amenities by any Owner, his family, guests, etc., for any period during which any assessment against his Lot remains unpaid. The right to use any recreational facilities may also be suspended for a period, not to exceed one hundred twenty (120) days, for the infraction of its published rules and regulations; provided; however, that if the infraction is continuing in nature, the suspension may be enforced until such infraction is cured.

2.3. **Delegation of Use.** Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to his members of his family and tenants who reside at his Lot and to his guests.

### 3. MEMBERSHIP AND VOTING RIGHTS.

3.1. **Ownership of a Lot shall be the sole qualification for membership in the Association.** The Association's Board may make reasonable rules relating to the proof

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of ownership of a Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

3.2. The Association shall have two classes of voting membership:

(a) Class A Members shall be all Owners with the exception of the Declarant. Declarant may, however, be a Class A Member upon the termination of Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any one Lot, all such Persons shall be Members. The vote of that Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Fractional voting is prohibited.

(b) The Class B Member shall be the Declarant. Class B Members shall be entitled to three (3) votes for each Lot owned. Solely for the purpose of determining Class B Membership, the term "Lot" shall also include any plot of land proposed for use as a Home site and proposed dwelling units other than Homes proposed to be constructed on a Master Lot as shown on any unrecorded plan prepared by the Declarant of portions of the Property still owned by the Declarant. The Class B Membership shall cease and be converted to Class A Membership upon the earlier of:

- (i) the date the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership; provided that the Class B Membership shall be reinstated with all rights, privileges, responsibilities and voting power if, after conversion of the Class B Membership to Class A Membership, additional lands are annexed to the Property by the Declarant as provided in the Declaration; or
- (ii) December 31, 2015; or
- (iii) the effective date of the Declarant's written consent to termination.

4. ANNEXATION OF ADDITIONAL PROPERTIES.

4.1. Annexation by Members: Except as provided in 4.2, Additional Properties may be added and annexed to the Property only if two-thirds (2/3) of each class of all the votes entitled to vote be cast in such class by Members are cast in favor of annexation.

4.2. Annexation by Declarant: Prior to December 31, 2015, the Declarant may, from time to time, annex Additional Properties to the Property without the

consent of the Members, if the Declarant should develop an additional tract or tracts of land consisting of any property within the tract of real property more particularly described on Exhibit A attached hereto and made a part hereof or within close proximity to any of the real property described on Exhibit A. The annexation will be accomplished by recording with the office of the Register of Deeds for the County in which the Property is located a Supplementary Declaration approved by any local or municipal authority having jurisdiction thereof, if required, duly executed by Declarant, describing the lands annexed and incorporated the provisions of this Declaration, other action or consent shall be necessary. Subsequent to recordation of the Supplementary Declaration, the Declarant shall deliver to the Association one or more deeds conveying any property that will be designated as Common Area within the Additional Properties as such designated property is developed. Title to these Common Areas shall be conveyed subject to the same exceptions noted in Section 2.

1. Upon annexation, the Additional Properties shall be deemed part of the Property and shall be subject to this Declaration.

4.3. **Reserved Declarant Rights.** Subject to all applicable governmental ordinances, as long as Class B membership exists, the Declarant reserves the following development rights: (i) to add real estate to the Property in accordance with Section 4.2 of this Declaration; (ii) to add Common Areas; (iii) to reallocate Lots within the Property; and (iv) prior to a conveyance of that real estate to an Owner, to withdraw real estate from the Property.

## **5. COVENANT FOR MAINTENANCE ASSESSMENTS.**

### **5.1. Lien of Assessments:**

5.1.1. The Declarant, for each Lot, covenants, and each Owner of any Lot by acceptance of a deed therefore (whether or not it shall be so expressed in such deed) is deemed to covenant and agree to pay the Association Annual Assessments, Special Assessments, and Initial Assessment, all as described below, (together the "Assessments"). The Association shall also have the authority, through the Association's Board, to establish, fix and levy an individual assessment on any Lot to secure the liability of that Owner to the Association arising from Owner's breach of any of the provisions of this Declaration.

5.1.2. The Assessments shall be set on a calendar year basis (the "Annual Assessment Period") by the Association's Board and may be collected on a monthly, yearly, quarterly or semi-annual basis as determined by the Association's Board. Annual and Special Assessments shall be charged to each Owner of a Lot in Use. Assessments, together with interest thereon and the costs of collection (including reasonable attorney fees), shall be a lien on the applicable Lot from the due date for the Assessment as set by the Association's Board, continuing until paid in full, as well

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as a personal obligation of the Person who was the Owner of the Lot at the time the Assessment became due. While any unpaid amounts shall remain a lien on the applicable Lot, the personal obligation shall not pass to that Owner's successors in title unless expressly assumed by the successor.

5.2. Purpose of Assessments: The Assessments shall be used exclusively for the purposes of this Declaration as described in the Recitals, the payment of Common Expenses, the health, safety and welfare of the Owners, and the improvement and maintenance of the Common Area. The Association shall maintain a reserve fund for periodic maintenance, repair, and replacement of improvements to the Common Area.

5.3. Annual Assessments:

5.3.1. On or before December 1st of each year, the Association's Board of Directors shall adopt the Budget (as defined below) for the upcoming Annual Assessment Period. The annual Budget for the Association shall include all anticipated revenues (including revenues from Annual Assessments to be charged in the next Annual Assessment Period - the "Anticipated Annual Assessments") and anticipated costs for the Association for the upcoming Annual Assessment Period (together the "Budget"). The Anticipated Annual Assessments for the approved Budget shall be the basis for calculating the Annual Assessment to be charged each Owner for the upcoming Annual Assessment Period.

5.3.2. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Annual Assessment with respect to each Lot other than Master Lots shall be One Hundred Seventy-Six Dollars (\$176.00)

In addition, there shall be added to and included in the annual Assessment of any Lot which is served by a private alleyway for ingress, egress and regress an annual surcharge of \$56.00.

5.3.3. The maximum Annual Assessments for Master Lots shall be determined by the Declarant at the time such Lots are to be developed, taking into account the number of dwelling units which may be developed on such Lots, under local zoning ordinances and other applicable conditions and restrictions affecting such Lots, as well as any special facilities or services provided to the Owner(s) of said Lots by the Association and shall be clearly stated in the Supplementary Declaration, which need not be approved by or joined in by any party other than the Declarant. The Annual Assessments and Special Assessments payable with respect to such Master Lots may in the discretion of the Declarant be imposed individually and directly against the lots and/or Living Units developed within such Master Lots, or in the aggregate against any homeowners associations formed to administer the development and operation of such Master Lots, in which case the Association shall have all rights of subrogation to

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collect the assessments due such homeowners association from the owners of lots and/or dwelling units developed within such Master Lots.

5.3.4. An annual increase in the Annual Assessments shall not be more than twenty (20%) percent except by approval by two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Notwithstanding anything contained herein to the contrary, the foregoing limitation on increases in the Annual Assessments shall not apply to the surcharge component attributable to private alleyways, and any increases in such surcharge component of the Annual Assessments with respect to lots served by private alleyways may be increased without limitation to reflect actual or reasonably anticipated increases in the costs of maintaining such private alleyways.

5.3.5. As long as Declarant has a majority of the total votes, Declarant may loan the Association monies to the extent that Annual Assessments paid by the Owners are inadequate. This advance shall be to the Association and on terms generally available to Declarant from its lending institution. Declarant shall also be responsible for the payment of Assessments as otherwise required by this Article.

5.4. Special Assessments: In addition to the Annual Assessments, the Association may levy in any Annual Assessment Period a special assessment applicable to that year only (the "Special Assessment") for the purpose of defraying in whole or in part the cost of any expenditures (including capital improvements and property acquisition costs) not otherwise included in the Budget. A Special Assessment shall require the assent of two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose.

5.5. Initial Assessment: At the closing of each sale of a Lot, other than a Master Lot, by the Declarant or a Builder, a sum equal to the remainder of the Annual Assessment due for the current billing period, and if the Annual Assessments are billed on a monthly basis, two (2) additional monthly payments, of the then applicable Annual Assessment (the Initial Assessment) shall be collected from the purchaser and contributed to the Association. The Initial Assessment shall be used in the manner specified for Annual Assessments. The Initial Assessment shall not be considered an advance against Assessments to become due on and after transfer of title to the purchaser.

5.6. Fines. The Association's Board may impose fines against any Lot for a failure to comply with the Declaration. These fines shall be treated as a Special Assessment otherwise due to the Association from that Owner. Fines shall be paid not later than thirty (30) days after notice of the assessment is given to the offending Owner. These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally

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entitled. Any fine paid by the offending Owner shall nevertheless be deducted from or offset against any damages that the Association may otherwise be entitled to recover by law from that Owner. Fines shall be as follows:

- (a) First non-compliance or violation: a fine not in excess of Fifty Dollars (\$50.00).
- (b) Second non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).
- (c) Third and subsequent noncompliance or violation, or violations that are of a continuing nature: a fine not in excess of One Hundred Dollars (\$100.00) for each week of continued violation or non-compliance.

**5.7. Uniform-Rate of Assessment.** Both Annual Assessments and Special Assessments must be fixed at a uniform rate for all Lots in Use or Lots, as the case may be. Provided, however, that the Association shall also have the authority, through the Board of Directors, to establish, fix and levy a Special Assessment on any Lot to secure the liability of that Owner to the Association arising from that Owner's breach of any of the provisions of this Declaration.

**5.8. Date of Commencement of Annual Assessment/Due Dates.** The Annual Assessments shall commence as to all then existing Lots in Use on the first day of the month following the conveyance of the Common Area to the Association. Thereafter, the Annual Assessments shall commence as to a Lot on the first day it becomes a Lot in Use. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Written notice of the Annual Assessment shall be sent to every Owner subject thereto at least fifteen (15) days in advance of each Annual Assessment Period. The due date shall be established by the Board of Directors. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. These certificates shall be conclusive evidence of payment of any Assessment as to third parties acting in reliance on the statement.

**5.9. Non-Payment of Assessment Remedies of the Association.** Any Assessments which are not paid when due shall be delinquent. The Association shall have the option to declare the outstanding balance of any Assessment due and payable if any installment thereof becomes delinquent. If the Assessment is not paid within thirty (30) days after the due date, the assessment shall incur a late charge of \$25.00 and bear interest from the date of delinquency at the greater of the rate set by the Association's Board or eight percent (8.0%) per annum. The Association may bring an action at law against the responsible Owner and/or foreclose the lien against the

applicable lot, interest, costs, and reasonable attorney fees of any such action shall be added to the amount of the delinquent Assessment. Each Owner, by the acceptance of a deed to a Lot, expressly vests in the Association, its agents or assigns, the right and power to bring all actions against the Owner personally liable for the collection of a debt and to enforce the lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as the foreclosure of a deed of trust lien on real property pursuant to North Carolina law. Each Owner also expressly grants to the Association a power of sale in connection with foreclosure of a lien for Assessments. The lien provided for in this Article shall be in favor of the Association acting on behalf of the Owners, which shall have the power to bid in at foreclosure and to acquire and hold, lease, mortgage and convey the foreclosed Lot. No Owner may waive or otherwise escape liability for Assessments by non-use of the Common Area or abandonment of his Lot.

5.10. Subordination of the Lien. The lien of the Assessments shall be subordinated to the lien of the first mortgage on a Lot. Except in those instances described below, the sale or transfer of a Lot shall not release or otherwise affect the lien of delinquent Assessments. Provided the Association is given prior written notice of such, the sale or transfer of a Lot pursuant to the foreclosure of a first mortgage or deed of trust or pursuant to a deed in lieu given in satisfaction of a first mortgage or deed of trust shall extinguish the lien of the delinquent Assessments for that Lot. In no event, however, shall a sale or transfer relieve the Lot from liability for any Assessments subsequently becoming due or from the lien thereof.

5.11. Exempt Property. The assessments, charges and liens created under this Article shall not apply to the Common Area, nor shall it apply to any Lot the title to which is vested either in any first mortgagee subsequent to foreclosure or in the Secretary of Housing and Urban Development or the Administrator of Veterans Affairs or any other State or Federal governmental agency which acquires title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan. However, upon the conveyance of such property by the first mortgagee or governmental agency the assessment herein provided shall again commence and accrue and shall be fully applicable to such Lot. All Common Area property dedicated to and accepted by a local public authority, property granted to or used by a utility company, and property owned by a non-profit organization exempt from the assessments and charges herein.

## 6. INSURANCE.

6.1. Authority to Purchase Insurance. Insurance policies upon real or personal property owned by the Association shall be purchased by the Association, and the policies shall provide that the insurer waives its rights of subrogation as to any claims against Owners, the Association and their respective servants, agents or guests.

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**6.2. Insurance Coverage to be maintained; Use and Distribution of Insurance Proceeds.** The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Common Area:

6.2.1. Casualty Insurance covering the buildings and all improvements upon the Common Area and all personal property located on the Common Area except such to one hundred (100%) per cent of the insurance replacement value thereof (exclusive of excavation, foundations, streets and parking facilities) with a replacement cost endorsement as determined annually. If coverage is provided by an insurance policy in which there is a co-insurance clause applying, every effort will be made to obtain an agreed amount endorsement or its equivalent. Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to improvements similar in construction location and use, including vandalism and malicious mischief.

6.2.2. Bodily Injury Liability and property damage liability insurance in such amounts and in such forms as shall be required by the Association, covering all premises and all operations necessary or incidental to the conduct of the business of the Association including hired automobile and non-owned automobile bodily injury and property damage liability coverages.

6.2.3. All liability policies shall contain a severability of interest (cross-liability) endorsement. The insurance afforded under the liability section of the policy applied separately to each insured against whom claims is made or suit is brought except with respect to this company's limit of liability.

6.2.4. Fidelity Coverage protecting against dishonest acts by Association officers, directors, trustees, and employees and all others who are responsible for handling funds of the Association in the amount of one year's operating budget, plus projected reserve balance during the budget year. If professional management is obtained by the Association and it has this coverage and it handles the funds, then this requirement will be satisfied.

6.2.5. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association.

6.2.7. Proceeds of insurance policies received by the Association shall be paid to defray the costs of repaving and reconstructing improvements. Any proceeds

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remaining after defraying such costs shall be held by the Association and may be applied to its general expenses.

**6.3. Repair/Reconstruction.**

6.3.1. Any reconstruction or repair of any improvements to the Common Area damaged by fire or other casualty shall be substantially in accordance with the original plans and specifications unless otherwise approved by the Board of Directors.

6.3.2. In the event of damage to any property covered by insurance written in the name of the Association, the Association's Board shall, unless otherwise decided by the Board, contract to rebuild or repair the damage to as good condition as formerly. In the event the insurance proceeds are insufficient to pay all of the costs of repairing and/or rebuilding to the same condition as formerly, the Association's Board may, upon obtaining the required Member approval, levy a Special Assessment against all Members to make up any deficiency.

6.4. **Premiums.** Premiums for contracts of insurance purchased by the Association shall be paid by the Association and shall be included in Common Expenses.

6.5. **Prohibited Acts.** No Owner shall do or keep anything on the Property which shall cause an increase in the premiums for or the cancellation of any insurance maintained by the Association.

**7. EASEMENTS.**

7.1. **Utility Easements-Lots.** Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on all recorded plats of any portions of the Property. In addition, easements are hereby reserved for the drainage and installation, maintenance and repair of sewer and water lines and other utilities, as necessary, to provide service to each Lot. Without limiting the foregoing, easements for drainage and utilities are reserved ten (10) feet along each rear line of each Lot and five (5) feet along each side line of each Lot. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

7.2. **Blanket Utility Easement-Common Area.** A blanket easement upon, across, over, and under all of the Common Area is reserved for ingress and egress, installation, replacing, repairing and maintaining all utilities, including, but not limited to water, sewer, gas, telephone, electricity, and CATV or master antenna system.

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Notwithstanding such, no sewers, electrical lines, water lines, or other utility equipment or facilities may be installed or relocated in the Common Area except as approved by the Declarant or, after the termination of Class B membership, the Association. Should any utility furnishing a service covered by this general easement request a specific easement by separate recordable documents, Declarant or, after the termination of Class B membership, the Association will have the right and authority to grant such easement. The easement provided for in this Article shall in no way affect other recorded easements on the Property.

7.3. **Association Easement.** An easement is granted to the Association, its officers, agents, employees, and to any management company retained by the Association to enter in or to cross over the Common Area. Every Lot shall be subject to an easement for entry by the Association (and the Persons described above) for the purpose of correcting, repairing, or alleviating any emergency condition which arises upon any Lot and that endangers any improvement or portion of the Common Area.

7.4. **Temporary Construction Access and Disturbance Easement.** An easement over, through and to the Common Area is reserved and established in favor of Declarant and all Owners for purposes of ingress, egress, regress, conduct of construction activity, storage of construction materials and the necessary disturbance of land for construction on any Lot. This easement shall be used only as and when necessary to facilitate the construction of improvements at any time on a Lot by Declarant or Owner as well as the extension of driveways, sidewalks, underground drainage and utility conduit and hookups to any dwelling structure situated on a Lot. In each instance, the Person exercising these easement rights shall use his best efforts to minimize any soil or land disturbance activities and shall restore the land to a condition which is graded smooth and in harmony with surrounding areas. Should that Person fail to restore the disturbed land as required, the Association may restore the land to the required condition and that Person shall indemnify the Association for the reasonable expense incurred in performing that restoration. This easement shall be restricted to that Common Area which shall be reasonably servient and proximate to the Lot(s) upon which the construction is taking place.

7.5. **Repair, Maintenance and Reconstruction Easement.** If any Home is located closer than five (5) feet from its lot line, the Owner thereof shall have a perpetual access easement over the adjoining Lot to the extent reasonably necessary to perform repair, maintenance or reconstruction of his Home. The repair, maintenance or reconstruction shall be done expeditiously and, upon completion of the work, the Owner shall restore, to the extent reasonably practical, the adjoining Lot to as near the same condition as that which existed prior to the commencement of the work. Should the Owner fail to restore the adjoining Lot as required, the adjoining Lot Owner and/or the Association may, at the other Owner's expense, complete the required restoration.

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7.6. **Drainage Easement.** All Lots shall be subject to an easement for entry and encroachment by the Declarant for the purpose of correcting any grading or drainage problems with respect to that Lot or adjoining Lots. After such an entry, the Declarant, at its expense, shall, to the extent reasonably practicable, restore the affected Lot(s) to their original condition.

7.7. **Governmental Easements.**

7.7.1. Declarant reserves an easement for the benefit of the appropriate governmental entity over all Common Area and over an area five (5) feet behind the curb line of any street or roadway in the Property existing now or in the future for the setting, removal, and reading of water meters, the maintenance and replacement of water, sewage, and drainage facilities and the collection of garbage.

7.7.2. An easement is also granted to all police, fire protection, garbage, mail delivery, ambulance, and all similar persons to enter upon the Property's streets and the Common Area in the performance of their duties.

7.8. **Private Alleys.** Each Lot served by a private alleyway has a non-exclusive, perpetual easement for pedestrian and vehicular ingress, egress and regress to and from and between his Lot and any public street accessible to such private alleyway. No Owner may park vehicles in or otherwise obstruct such private alleyway. Private Alleys shall be deemed Common Area and shall be maintained by the Association as a common area expense, but their use shall be limited to ingress, egress and regress to and from and between the Lots thereby served and public streets accessible thereto. Provided, further, and notwithstanding anything contained in this Declaration to the contrary, any conveyance or encumbrance of all or any portion of such private alleys shall be subject and subordinate to the foregoing easements.

8. **ARCHITECTURAL COMMITTEE.**

8.1. **Members.** The Architectural Committee shall consist of one (1) or more persons designated by the Declarant. At such time as Declarant no longer owns any real property within the Property for earlier if the Declarant shall surrender this right in a written instrument in recordable form executed by Declarant, the Declarant shall assign or shall be deemed to have assigned to the Association the rights, powers, duties and obligations of the Architectural Committee. Upon this assignment, the Board shall appoint three (3) or more persons as the members of the Architectural Committee. Prior to December 31, 2015, this provision shall not be amended or revoked without the Declarant's written consent.

8.2. **Powers.** The Architectural Committee shall have the right to refuse to approve any plans and specifications for improvements proposed to be constructed on

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a Lot (the "Plans & Specifications") which are not suitable or desirable, in its sole discretion, for aesthetic or any other reasons, provided such approval is not unreasonably withheld. In approving or disapproving Plans & Specifications, the Architectural Committee shall consider the purposes of the Declaration as discussed in the Recitals, including the suitability of the proposed improvements and materials to be used in those improvements, the site upon which it is proposed to be erected, and the effect of the improvements on adjacent or neighboring property. There is specifically reserved unto the Architectural Committee the right of entry and inspection upon any Lot for the purpose of determining whether there exists any construction of any improvements which violates the terms of any approval by the Architectural Control Committee or the terms of this Declaration or of any other applicable covenants, conditions and restrictions. The Architectural Committee and the Board of Directors is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy. In the event it becomes necessary to resort to litigation to determine the propriety of any constructed improvement, or to remove any unapproved improvements, the prevailing party shall be entitled to recovery of all court costs and expenses (including reasonable attorney's fees). The provisions of Section 8.1 and this Section 8.2 shall not be applicable to the Declarant or any Builder who has purchased a Lot from the Declarant and has constructed thereon any building, fence, wall or other structure in accordance with plans approved by the Declarant.

9. **USE RESTRICTIONS.** The following Use Restrictions apply to all Lots subject to this Declaration except Master Lots:

9.1 **Land Use and Building Type.** No Lot shall be used except for single family residential purposes. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling, not to exceed three (3) stories in height, and a private garage for not more than three (3) cars and other out buildings incidental to the use of such Lot. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor shall any substance, thing or material be kept upon any Lot which will emit foul or noxious odors, or which will cause any noise that might disturb the peace and quiet of the occupants of surrounding property. No trash, rubbish, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure except for pickup by garbage and trash removal service units. In the event any Owner fails to keep such property free from any unsightly items, weeds or underbrush, the Association may, at its option, ten (10) days after notice to said Owner requesting said Owner to comply with the requirements of this paragraph, enter and remove all such unsightly items and growth at said Owner's expense, and said Association shall be personally liable to the Association for such costs, as well as the hereunder, which shall be a permanent charge and lien upon such Lot enforceable to the same extent and collectable as Annual and Special Assessments. By acquiring

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property subject to these Restrictions, each Owner agrees to pay such costs promptly upon demand by the Association. No such entry as provided herein shall be deemed a trespass.

9.2. **Setbacks.** No structure shall be located on any Lot nearer in violation of any setback lines shown on any recorded plat, of any portion of the Property or in violation of applicable zoning or other laws. For the purposes of this covenant, eaves, steps, carports and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon another Lot. Provided it otherwise complies with the applicable zoning ordinances and the setbacks, if any, shown on the applicable recorded plat, the Declarant and/or the Architectural Committee may approve by written waiver a violation of these requirements.

9.3. **Nuisance.** No noxious, offensive or illegal activity shall be conducted on any Lot; nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood in which such Lot is located. Each owner shall refrain from any act or use of his or her Lot which could reasonably be expected to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood in which such Lot is located.

9.4. **Excavation and Elevation.** No Owner shall excavate or extract earth from any of the Lots for any commercial purpose. No elevation changes shall be permitted which materially affect the surface grade of surrounding Lots.

9.5. **Temporary Residence.** No residence of a temporary character shall be erected or allowed to remain on any Lot; and no trailer, basement, tent, shack, garage, barn or other outbuilding erected on said property shall be used as a residence either permanently or temporarily.

9.6. **Commercial and Recreational Vehicles.** No trucks, buses, vans, boats and/or trailers, campers or other commercial or recreational vehicles shall be parked or stored on any Lot unless stored in an enclosed garage, other than on a purely temporary basis (not longer than one day), except where it can be shown that said vehicle is the only means of transportation or is required for an Owner's employment.

9.7. **Animals.** No animals, livestock or poultry of any kind shall be kept or numbers may be kept except that dogs, cats or other household pets in reasonable commercial purposes.

9.8. **Clotheslines.** Outdoor clothesline poles utilized on any Lot must be round, one piece, with arms. No clothes may be left on clotheslines after 5:00 p.m.

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9.9. **Signs.** No sign of any kind shall be erected upon or displayed or otherwise exposed to view on any Lot without the prior written consent of the Board of Directors or its designated Architectural Committee, if any, except for a "FOR RENT" or "FOR SALE" sign advertising an Owner's Lot and Living Unit for rent or sale. The Declarant reserves the right to erect entrance signs on the Common Area, for the purpose of designating the name(s) of the various subdivisions, which are developed in the Properties, which sign(s) shall be maintained by the Association.

9.10. **Dangerous or Offensive Hobbies and Activities.** The pursuit of hobbies or other inherently dangerous or offensive activities including specifically, without limitation, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkept conditions; the shooting of firearms, fireworks or pyrotechnic devices of any type or size; and other similar activities shall not be pursued or undertaken on any part of any Lot or the Common Area.

9.11. **Out-Buildings.** Only garages, storage sheds or out-buildings may be constructed on Lots provided said structures comply with all applicable zoning ordinances and are constructed with the same or similar materials and colors as the residence located thereon and are of a similar architectural design.

9.12. **Swimming Pools.** No above ground swimming pools may be located on any Lot. Below ground swimming pools must be located to the rear of the main dwelling and may not be nearer than six (6) feet to any Lot line.

9.13. **Driveways.** No driveway shall be modified or added to any Lot unless it is installed with the same material used on the existing driveway and is parallel to the existing driveway. No driveway is to exceed twenty (20) feet in width.

9.14. **Outside Antennas.** No outside radio or television antennas, satellite dishes (except satellite dishes which are limited to three feet in height and nine square feet of ground area) or other elevated communicated towers shall be erected on any Lot.

9.15. **Fences.** No chain link, wire, metallic or wooden fence (except treated wood fences confined to the back yard of a Lot) may be erected on any Lot. Fences, hedges and walls located in front yards or side yards of corner lots shall not exceed forty-two (42) inches in height.

9.16. **Applicable Regulations.** Each Owner shall observe all governmental codes, health regulations, zoning restrictions and other regulations applicable to such Owner's Lot. In the event of any conflict between any provision of any such

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governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply.

9.17. **Additional Restrictions.** The Declarant (as long as it hold Class B Membership) and thereafter, the Association, the Association's Board, or the Architectural Committee shall have the power to formulate, amend, publish and enforce other reasonable rules and regulations concerning the architectural control and use of the Property.

9.18. **Anti-Discrimination.** No action shall at any time be taken by the Declarant, the Association, the Association's Board, or the Architectural Committee in the enforcement or interpretation of this Declaration which in any manner would unfairly discriminate against any Owner in favor of any of the other Owners.

9.19. **Waiver.** Notwithstanding anything above to the contrary, the Declarant (as long as Class B Membership exists), the Association's Board, or the Architectural Committee shall have the right, in the exercise of their reasonable discretion, to waive one or more violations of the requirements of this Article. No waiver shall be effective unless in writing and nevertheless shall not operate as a waiver of any other requirement respecting the Lot in question or any other Lots subject to this Declaration. No waiver shall be effective if it shall cause the Lot or structures thereon to be in nonconformance with any applicable governmental ordinances.

#### 10. GENERAL PROVISIONS.

10.1. **Enforcement.** The Declarant (as long as Class B Membership exists), the Association or any Owner shall have the right to enforce, by a proceeding at law or in equity, the terms of the Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

10.2. **Severability.** Invalidation of any one or more of these covenants or restrictions by Judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

#### 10.3. Amendment.

10.3.1. The Declaration shall run with the land for a term of twenty (20) years from the date of their recording and shall inure to the benefit of the Declarant (as long as Class B Membership exists), the Association or any Owner or their respective legal representatives, heirs, successors, and assigns. This Declaration shall thereafter automatically be extended for successive periods of ten (10) years. Except as

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specifically otherwise provided in this document, the Declaration may be amended by an instrument signed by not less than the owners of two-thirds (2/3) of the Lots.

10.3.2. If an amendment is executed, each such amendment shall be delivered to the Association's Board which shall, within thirty (30) days:

- (a) Reasonably assure itself that the amendment has been executed by the Owners of the required number of Lots (for this purpose, the Board may rely on its roster of Members, and shall not be required to cause the title to any Lot to be examined); and
- (b) Attach the following certification:

**CERTIFICATION**

By authority of its Board of Directors, Holly Park Homeowners Association, Inc. certifies that the foregoing instrument has been duly executed by the Owners of two-thirds (2/3) of the Lots in the Property and is therefore a valid amendment to the Declaration recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ in the office of the Register of Deeds for Union County, North Carolina.

Holly Park Homeowners Association, Inc.

BY: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

(CORPORATE SEAL)

Within the thirty (30) day period, the Association's Board shall cause the amendment to be recorded with the appropriate Register of Deeds' office. All amendments shall be effective from the date of recordation in the appropriate Register of Deeds' office; provided, however, that no such instrument shall be valid until it has been indexed in the name of the Association.

10.4. Disputes. In the event of any dispute arising concerning a provision of this Declaration, such dispute shall be settled by legal proceedings or the parties may, by mutual agreement, submit the dispute to a committee appointed by the Association

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for this purpose, and once submitted, the parties agree to be bound by the decision of that committee.

10.5. **Voting.** Voting by Members of the Association shall be in accordance with the applicable provisions set forth in this Declaration and the Bylaws.

10.6. **Member Addresses.** Each Member agrees to keep the Association informed of his address at any time and any notice sent or delivered to that address shall be sufficient. Each new Member agrees to provide the Association with evidence of his ownership for preparation of a membership roster and the roster as so completed shall be sufficient evidence as to the ownership of each Lot.

10.7. **Gender and Grammar.** All words and phrases in this Declaration shall be construed to include the singular or plural number, and the masculine, feminine, or neuter gender, as the context requires.

10.8. **Owner Responsibility.** Notwithstanding anything in this Declaration to the contrary, an Owner shall be responsible for any and all violations of these Declarations by his employees, agents, tenants, guests and invitee. When a party to this Declaration consists of more than one individual or entity, such party's liability hereunder shall be joint and several.

10.9. **Construction.** This Declaration shall be construed in accordance with the laws of North Carolina without giving effect to its conflict of laws principles. In case of any conflict between the Declaration and the Articles or the Bylaws, the Declaration shall control.

10.10. **Exhibits.** All Exhibits and Schedules, if any, attached to this Declaration are hereby incorporated by reference and made a part of this Declaration. The term "Declaration" as used herein shall be deemed to include all such Exhibits and Schedules.

10.11. **Remedies.** In the event of any default in and/or breach of any of the terms, conditions and provisions of this Declaration (either actual or threatened) the party or parties who are thereby aggrieved shall have the right to specific performance and/or injunction in addition to any and all other rights and remedies at law or in equity. The right and remedies provided by this Declaration are distinct and cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. No delay or omission of a party to exercise its right or power arising from any default on the part of the other shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein. The rights and remedies provided herein are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

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10.12. Approval. As long as there is a Class B membership, the following actions will require prior approval of the Veterans Administration and/or the Department of Housing and Urban Affairs Annexation of Additional Properties, conveyance of Common Area, dedication or withdrawal of land from dedication of Common Area, or an Amendment of this Declaration.

IN WITNESS WHEREOF, The Mathisen Company has caused this instrument to be signed in its corporate name by its duly authorized officers and its seat to be hereunto affixed by authority of its Board of Directors, this day first above written.

THE MATHISEN COMPANY

(CORPORATE SEAL)  
ATTEST:

William R. Mathisen  
Secretary

BY: W. R. Mathisen  
President

STATE OF NORTH CAROLINA  
COUNTY OF Watauga

I, Kyle L. Nobles, a Notary Public for said County and State, certify that William R. Mathisen, personally appeared before me this day and acknowledged that he is Secretary of THE MATHISEN COMPANY, a North Carolina corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by me as its Secretary.

Witness my hand and notarial seal, this the 11 day of Feb., 1998.



Kyle L. Nobles  
Notary Public  
My Commission Expires: March 6, 2001

BK1068P60079

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 1027, at Page 59, of the Union Public Registry, and JOHN L. KRANIK, as Substitute Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

(Corporate Seal)

By: Michael J. Sturmes  
VICE President

ATTEST:

ASSIST. Secretary

JOHN L. KRANIK (SEAL)  
Substitute Trustee

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

I, WILLIAM L. TAYLOR, a Notary for said County and State, certify that DANIEL K. FOLGER, personally came before me this day, and being by me duly sworn, says that he/she is VICE President of BRANCH BANKING AND TRUST COMPANY, and that the seal affixed to the foregoing instrument in writing is the corporate seal of said Corporation, and that said writing was signed and sealed by ALLEN in behalf of said Corporation by its authority duly given. And the said ASSIST. SECRETARY acknowledged the said writing to be the act and deed of said Corporation.

WITNESS my hand and notarial seal, this the 11 day of February, 1998.

Notary Public

My commission expires: March 23, 2000

The foregoing certification(s) of

WILLIAM L. TAYLOR, Notary Public, is

correct, and the seal of said Corporation is

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STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

I, JUDITH J. BAUGH, a Notary Public for said County and State, do hereby certify that JOHN L. KRANIK, Substitute Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the 11 day of February, 1998.

Judith J. Baugh  
Notary Public

My commission expires: \_\_\_\_\_

My Commission Expires March 23, 2000

CAWPOCSMATHISENWKdy PmkDeclaration

PK 3209PK349

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Doc # 983003  
Date 4/10/03 10:00 AM  
BY: G. PACE, Register of Deeds  
Union County, North Carolina

Drawn by and read to:  
Douglas P. MacCallister, Attorney  
6637 Fairview Road, Suite 100  
Charlotte, NC 28210

SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE IV, HOLLY PARK TOWNHOMES

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth  
by THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants,  
Conditions and Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the  
Union County Public Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserved the  
right to annex additional land and make the same subject to the Declaration; and

WHEREAS, pursuant to Section 5.3.3 of the Declaration the Declarant reserved the  
right to determine the maximum annual assessments attributable to Master Lots at the time  
such Master Lots are to be developed, taking into account the number of dwelling units  
which may be developed thereon as well as any special facilities or services provided by  
the Association to the Owners of said Master Lots and provided such annual assessments  
are clearly stated in the Supplementary Declaration making such Master Lots subject to  
the terms and conditions of the Declaration.

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the  
land more particularly described below is a Master Residential Lot made subject to the  
Declaration and all the terms and conditions thereof, and, further, such land is subject to  
the jurisdiction of Holly Park Homeowners Association, Inc. (the "Association") and the  
Annual Assessments levied by the Association with respect to each Lot developed within  
or upon such Master Lot shall initially be \$19.25 per month. Declarant presently intends

to develop the land described herein into a townhome community, Designated Park Townhomes in accordance with a separate Declaration of Covenants, Conditions and Restrictions to be recorded contemporaneously herewith. However, Declarant reserves the right to develop portions of said land into other residential Lots and further reserves the right to amend this Supplementary Declaration to provide different Annual Assessments for such other residential Lots to take into account any special services or facilities provided to the Owners of said other residential Lots by the Association. As subdivision plats are recorded for developed areas of the Master Lot, Common Areas within said subdivision plats shall be contemporaneously conveyed to the Association. All persons or entities which may become owners of Lots developed within the Master Lot shall pursuant to the terms of the Declaration become members of the Association. The additional land hereby annexed as a Master Lot is more particularly described as follows:

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina, and being more particularly described as follows:

To find the point and place of BEGINNING proceed from a point in the center line of Wesley Chapel-Stouts Road (SR 1377) at the southwestern corner of the property conveyed to The Mathis Company (DB 1027, P 96, Union County Registry), said point also being on the southern boundary line (now or formerly) of the Town of Indian Trail and runs thence with the center line of Wesley Chapel-Stouts Road three (3) courses and distances as follows: (1) S. 28-04-32 W. 29.53 feet; (2) S. 25-35-57 W. 47.38 feet; and (3) S. 23-39-29 W. 27.66 feet to a point; thence from said point in the center line of Wesley Chapel-Stouts Road with the northeasterly line of the property conveyed to Randy H. Aycoth and wife, Tilly W. Aycoth (DB 454, P 164, Union County Registry) N. 47-17-52 W. 389.38 feet to an iron; thence with the line of Randy H. Aycoth and wife, Tilly W. Aycoth (now or formerly) S. 47-46-58 W. 223.49 feet to an iron; thence with the line of the property conveyed to Hazel H. Aycoth (DB 442, P 137, Union County Registry) 476.25 feet to the POINT AND PLACE OF BEGINNING; and runs thence with the lines of Hazel H. Aycoth (now or formerly) and the property conveyed to Brenda G. Hilton (DB 444, P 156, Union County Registry) S. 47-21-59 W. 825.02 feet to an iron; thence N. 40-19-13 W. 7312.17 feet to an iron in the southern line of John Leroy Rushing and wife, Fairs P. Rushing and David Fuller (DB 424, P 532, Union County Registry); thence with the southern line of Rushing and Fuller (now or formerly) N. 50-31-36 E. 767.32 feet to a point; thence S. 47-17-52 E. 859.56 feet to a point; thence S. 20-22-44 E. 97.22 feet to a point; thence with the curve of a circle to the right having a radius of 150.00 feet, an arc distance of 73.56 feet to a point; thence S. 82-16-57 E. 25.00 feet to a point; thence S. 42-38-10 E. 244.17 feet to THE POINT AND PLACE OF BEGINNING.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be signed and sealed by its duly authorized officers as its act and deed, this 29th day of May, 2003.



THE MATHESEN COMPANY

By: [Signature]  
President

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By: [Signature]  
President

BB&T COLLATERAL SERVICE CORPORATION, Trustee

By: [Signature]  
President

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Kyle L. Noble, a Notary Public, certify that Brian Johnson personally came before me this day and acknowledged that he/she is President of THE MATHESEN COMPANY, a North Carolina corporation, and that he/she, as President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 29th day of May, 2003.



Kyle L. Noble  
Notary Public  
My Commission Expires: March 6, 2004

STATE OF NORTH CAROLINA  
COUNTY OF Union

RK 3209PF352

I, Sandra L. Hines, a Notary Public, certify that  
he/she is W.C. Branch, President of BRANCH BANKING AND TRUST COMPANY, and that  
he/she is W.C. Branch, President, being authorized to do so, executed the foregoing instrument  
on behalf of the corporation.

Witness my hand and seal, this 30 day of May, 2003.

Notary Public

My Commission Expires: 11/21/2007

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Sandra L. Hines, a Notary Public, certify that  
he/she is W.C. Branch, President of BB&T COLLATERAL SERVICE CORPORATION, and that  
he/she is W.C. Branch, President, being authorized to do so, executed the foregoing instrument  
on behalf of the corporation.

Witness my hand and seal, this 30 day of May, 2003.

Notary Public

My Commission Expires: 11/21/2007



NORTH CAROLINA-UNION COUNTY  
The foregoing certificate is of  
Sandra L. Hines, Esq.  
Notary Public

Notary Public

To Be correct:

JUDY Q. PRICE, REGISTER OF DEEDS  
BY: Sandra L. Hines  
Notary Public

SK 3209 PG 322

42889

filed by p390  
Date 9-1-2003  
Time 4:00 of clock P in  
JUDY G. PRICE, Register of Deeds  
Union County, Moore, North Carolina

Drawn by and mail to:  
Douglas P. MacMillan, Attorney  
Burtis MacMillan, Pearce & Mayer, LLP  
6857 Fairview Road, Suite 100  
Charlotte, NC 28210

**NORTH CAROLINA**  
**DECLARATION OF COVENANTS,**  
**CONDITIONS AND RESTRICTIONS FOR**  
**UNION COUNTY**  
**HOLLY PARK TOWNHOMES**

THIS DECLARATION, made on this 8th day of SEPTEMBER, 2003, by THE  
MATHISEN COMPANY, a North Carolina corporation, hereinafter referred to as the "Declarant".

**WITNESSETH:**

THAT WHEREAS, the Declarant is the owner of certain Real Estate lying within Union  
County, North Carolina, more particularly described on Exhibit A attached hereto and incorporated  
herein by reference ; and

WHEREAS, pursuant to the terms and conditions of the Declaration of Covenants,  
Conditions and Restrictions for Holly Park filed for recorded in Book 1068 at Page 57 in the office  
of the Register of Deeds for Union County, North Carolina, as amended and supplemented of record  
from time to time (hereinafter collectively referred to as the "Holly Park Master Covenants"),  
Declarant reserved the right to annex additional properties to Holly Park, including Master Lots  
which may be further developed into Planned Communities, and

WHEREAS, Declarant has contemporaneously with the execution and recording of this  
Declaration annexed the Real Property described on Exhibit A attached hereto to Holly Park as a  
Master Lot; and

WHEREAS, the Declarant now wishes to make a portion of the Real Estate described on  
Exhibit A a Planned Community pursuant to the terms of the North Carolina Planned Community  
Act as set forth in Chapter 47F of the North Carolina General Statutes (the "Act"), and further wishes

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to reserve the right to annex Additional Properties within the Real Estate described on Exhibit A into such Planned Community.

NOW, THEREFORE, Declarant hereby declares that all of the Real Estate described as follows:

**BEING all of Lots 1 through 5, inclusive, of HOLLY PARK, Phase 4, Map 1, as shown on map recorded in Plat Cabinet H, File No. 7D7, in the office of the Register of Deeds for union County, North Carolina;**

and such Additional Properties as may be annexed to the Planned Community created hereunder pursuant to Sections 4.1 and 4.2, below, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Planned Community. These easements, covenants, restrictions, and conditions shall run with the Real Estate and shall be binding on all parties having or acquiring any right, title or interest in the Real Estate or any part thereof, and shall inure to the benefit of each Lot Owner thereof.

1. **DEFINITIONS.** Any terms used herein which are defined in N.C.G.S. § 47F-1-103 shall have the meanings ascribed to them in said statute where the sense requires. In addition, the following terms shall have the following definitions throughout this Declaration:

1.1. "Act" shall mean the North Carolina Planned Community Act as contained in Chapter 47F of the North Carolina General Statutes.

1.2. "Additional Properties" shall mean all or any portion of such additional Real Estate as may be annexed to this Declaration in accordance with its terms.

1.3. "Amenities" means the facilities, if any, constructed, erected or installed on the Common Elements.

1.4. "Association" shall mean the Holly Park Townhome Association, Inc., its successors and assigns.

1.5. "Building" means a multi-unit residential structure, constructed or erected on Lots within the Planned Community.

1.6. "Common Elements" shall mean all Real Estate owned by the Holly Park Master Association(also referred to as *Common Area* in the Holly Park Master Covenants) and the easements granted thereto for the common use and enjoyment of the Lot Owners described in the Holly Park Master Covenants, including the Lot Owners within the Planned Community created hereunder. The Common Elements to be owned by the Holly Park Master Association shall be described in deeds to the Holly Park Master Association and designated as such on each recorded map of the Real Estate.

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1.7. "Common Expenses" means:

- (a) All sums lawfully assessed by the Association against its Members;
- (b) Community Website expenses and Community Association Institute membership;
- (c) Expenses declared to be Common Expenses by the provisions of this Declaration or the Bylaws;
- (d) Expenses agreed by the Members to be Common Expenses of the Association;
- (e) Expenses for exterior maintenance of the Townhomes as provided in this Declaration, water and sewer charges, pest control, gutter cleaning, lawn and landscaping maintenance of the Lots and other services provided to the Lot owners through the Association;
- (f) Hazard, liability or such other insurance premiums as the Declaration or the Bylaws may require the Association to purchase;
- (g) Ad valorem taxes and public assessment charges lawfully levied against Common Elements; and
- (h) General Administrative expenses of the Association, accounting, legal, and other professional services, including professional management, retained by the Association; and
- (i) Unpaid assessments resulting from the purchase of a Lot at a foreclosure sale (such assessment shall be collectible from all members of the Association, including the purchaser at the foreclosure sale, his/her/its successors and assigns).

1.8. "Common Expense Liability" means the liability for Common Expenses allocated to each Lot as permitted by the Act, the Declaration or otherwise by law.

1.9. "Declarant" shall mean and refer to THE MATHISEN COMPANY, a North Carolina corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot plus the Declarant's Special Declarant rights from the Declarant for the purpose of development.

1.10. "Declaration" means this Declaration of Covenants, Conditions and Restrictions

1.11. "Director" means any person elected or appointed to the Executive Board.

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1.12. "Executive Board" means those persons elected or appointed and acting collectively as the Directors of the Association.

1.13. "Holly Park Master Association" means Holly Park Homeowners Association, Inc., its successors and assigns.

1.14. "Holly Park Master Covenants" means all obligations, restrictions, limitations, covenants, etc., applicable to Holly Park as set forth in the Declaration of Covenants, Conditions and Restrictions for Holly Park filed for record in Book 1068 at Page 57 in the office of the Register of Deeds for Union County, North Carolina, and the Articles of Incorporation and ByLaws of the Holly Park Master Association, as amended and supplemented of record from time to time.

1.15. "Limited Common Elements" shall mean any portion of the Common Elements allocated by this Declaration, by any recorded map of any part of the Real Estate made subject to this Declaration or by operation of law for the exclusive use of one or more, but fewer than all, of the Lots and the respective Lot Owner(s) of such Lots(s).

1.16. "Lot" shall mean any physical portion of the Real Estate within the Planned Community designated for separate ownership or occupancy by a Lot Owner.

1.17. "Lot in Use" shall mean any Lot owned by any person other than Declarant or a builder, and as to those Lots owned by a builder, any Lot on which a dwelling unit has been fully constructed and for which a certificate of occupancy has been issued by the appropriate governmental agency and has been in effect for no less than ninety (90) days. In no event shall it mean a Lot owned by the Declarant, or a Lot owned by a builder for which a certificate of occupancy has been issued with respect to a dwelling unit constructed thereon for a period of less than ninety (90) days.

1.18. "Lot Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Planned Community, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. All Lot Owners shall be Members, as that term is defined herein, and the terms Lot Owner and Member may be used hereafter interchangeably where the sense requires.

1.19. "Member" shall mean and refer to every person or entity who holds membership in the Association. There shall be two classes of voting membership in the Association. All Members shall be Lot Owners, as that term is defined herein, and the terms Member and Lot Owner may be used hereafter interchangeably where the sense requires.

A. "Class A Members" shall be all those Lot Owners as defined in Article III herein, with the exception of the Declarant. Declarant may, however, be a Class A member upon termination of Class B membership.

B. "Class B Member" shall be the Declarant as defined herein.

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1.20. "Person" means any individual, corporation, partnership, association, trustee, or other legal entity.

1.21. "Planned Community" shall mean that Real Estate development to be named Holly Park Townhomes to be developed on that certain Real Estate described herein and on such Additional Properties as may be hereafter annexed to this Declaration and brought within the jurisdiction of the Association in accordance with the terms and conditions hereof.

1.22. "Special Declarant Rights" shall have the same meaning as defined in the Act, and, without limiting the foregoing, shall include those rights reserved unto the Declarant under this Declaration, the Association's Articles of Incorporation and the Association's Bylaws.

1.23. "Townhome" means a dwelling or place of residence constructed upon a Lot within the Planned Community and constituting a part of a Building.

## **2. PROPERTY RIGHTS.**

2.1. **Title to Common Elements.** The Declarant shall convey fee simple title in the Common Elements to the Holly Park Master Association, subject to the terms and conditions set forth in the Holly Park Master Covenants, current and subsequent years ad valorem taxes, and rights-of-way, restrictive covenants and easements of record. All Common Elements shall be owned by the Holly Park Master Association, rather than the Association, and shall be enjoyed in common with all Members of the Holly Park Master Association. Conveyance of title to the Common Elements to the Holly Park Master Association shall be done promptly after the recording of the plat reflecting that particular Common Elements and, in any event, prior to the sale by the Declarant of the first Lot included in that plat.

2.2. **Lot Owners' Easement of Enjoyment.** Every Lot Owner shall have a right and easement of use and enjoyment in and to the Common Elements (the "Lot Owners' Easement"), in accordance with the terms of the Holly Park Master Covenants. The Lot Owners' Easement shall be appurtenant to and shall pass with the title to every Lot in accordance with and subject to the terms and conditions of the Holly Park Master Covenants.

2.4. **Delegation of Use.** Any Lot Owner may delegate, in accordance with the Holly Park Master Covenants, his/her/its right of enjoyment to the Common Elements and facilities to his members of his family and tenants who reside at his Lot and to his guests.

## **3. MEMBERSHIP AND VOTING RIGHTS.**

3.1. Lot Ownership of a Lot shall be the sole qualification for membership in the Association. Since the Planned Community created hereunder is also subject to the Holly Park Master Covenants, Lot Ownership within the Planned Community shall also result in automatic membership in the Holly Park Master Association. The Association's Board may make reasonable

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rules relating to the proof of Lot Ownership of a Lot. Membership in the Association and the Holly Park Master Association shall be apurtenant to and may not be separated from Lot Ownership of any Lot.

3.2. The Association shall have two classes of voting membership:

(a) Class A Members shall be all Lot Owners with the exception of the Declarant. Declarant may, however, be a Class A Member upon the termination of Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any one Lot, all such Persons shall be Members. The vote of that Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Fractional voting is prohibited.

(b) The Class B Member shall be the Declarant. Class B Members shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership upon the earlier of:

(i) the date the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership, provided that the Class B Membership shall be reinstated with all rights, privileges, responsibilities and voting power if, after conversion of the Class B Membership to Class A Membership, additional lands are annexed to the Planned Community by the Declarant as provided in the Declaration; or

(ii) December 31, 2018; or

(iii) the effective date of the Declarant's written consent to termination.

(c) The Declarant's rights as a Class B Member are Special Declarant Rights which may be transferred (as may all Special Declarant Rights) in the manner prescribed by N.C.G.S. § 47F-3-104.

4. ANNEXATION OF ADDITIONAL PROPERTIES.

4.1. Annexation by Members: Except as provided in 4.2, Additional Properties may be added and annexed to the Planned Community only if 67% of each class of all the votes entitled to vote be cast in such class by Members are cast in favor of annexation.

4.2. Annexation by Declarant: Prior to December 31, 2018, the Declarant may, from time to time, annex Additional Properties to the Planned Community without the consent of the Members, if such Additional Properties are within that parcel of Real Estate more particularly

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described on Exhibit A attached hereto and incorporated herein by reference, or if the Declarant should develop an additional tract or tracts of Real Estate contiguous to or within close proximity of the Planned Community formed hereunder. The annexation will be accomplished by recording with the office of the Register of Deeds for the County in which the Planned Community is located, a Supplementary Declaration, approved by any local or municipal authority having jurisdiction thereof, if required, duly executed by Declarant, describing the Additional Properties annexed and incorporating the provisions of this Declaration. No other action or consent shall be necessary. Subsequent to recordation of the Supplementary Declaration, the Declarant shall deliver to the Master Association one or more deeds conveying any Real Estate that will be designated as Common Elements within the Additional Properties as such Additional Properties are developed. Title to these Common Elements shall be conveyed subject to the same exceptions noted in Section 2. 1. Upon annexation, the Additional Properties shall be deemed part of the Planned Community and shall be subject to this Declaration.

4.3. Additional Special Declarant Rights. Subject to all applicable governmental ordinances, as long as Class B membership exists, the Declarant reserves the following development rights(which shall be deemed Special Declarant Rights, as defined herein and in the Act): (i) to add Real Estate to the Planned Community in accordance with Section 4.2 of this Declaration; (ii) to add Common Elements; (iii) to designate portions of the Common Elements as Limited Common Elements; (iv) to reallocate and reconfigure Lots within the Planned Community; and (v) prior to a conveyance of all or any portion of the Real Estate made subject to this Declaration to a Lot Owner, to withdraw all or any portion of such Real Estate from the Planned Community.

## 5. COVENANT FOR MAINTENANCE ASSESSMENTS.

### 5.1. Lien of Assessments:

5.1.1. The Declarant, for each Lot, covenants, and each Lot Owner of any Lot by acceptance of a deed therefore (whether or not it shall be so expressed in such deed) is deemed to covenant and agrees to pay the Association Annual Assessments, Special Assessments, and Initial Assessment, all as described below, (together the "Assessments"). The Association shall also have the authority, through the Association's Board, to establish, fix and levy an individual assessment on any Lot to secure the liability of that Lot Owner to the Association arising from Lot Owner's breach of any of the provisions of this Declaration.

5.1.2. The Assessments shall be set on a calendar year basis (the "Annual Assessment Period") by the Executive Board and may be collected on a monthly or yearly basis as determined by the Executive Board. Annual Assessments shall be charged to each Lot Owner of a Lot in Use. Special Assessments shall be charged to each Lot without regard as to whether or not it is a Lot in Use. Assessments, including fees, charges, late charges, fines, interest and other charges imposed by this Declaration or permitted under N.C.G.S. §§ 47F-3-102, 47F-3-107, 47-5-107.1, 47F-3-115 and N.C.G.S. § 47F-3-116 shall, upon the filing of a claim of lien in the office(s) of the Clerk(s) of

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Superior Court for the county or counties within which the Planned Community is located in the manner prescribed by N.C.G.S. § 47F-3-116, be a lien on the applicable Lot continuing until paid in full, as well as a personal obligation of the Person who was the Lot Owner of the Lot at the time the Assessment became due. While any unpaid amounts shall remain a lien on the applicable Lot, the personal obligation shall not pass to that Lot Owner's successors in title unless expressly assumed by the successor(s).

5.2. Purpose of Assessments: The Assessments shall be used exclusively for the purposes of this Declaration as described in the Recitals, the payment of Common Expenses, the health, safety and welfare of the Lot Owners, and the improvement and maintenance of the Common Elements. The Association shall maintain a reserve fund for periodic maintenance and repair of the landscaping and exteriors of the Townhomes and for the maintenance, repair, and replacement of improvements to the Common Elements.

5.3. Annual Assessments:

5.3.1. On or before December 1st of each year preceding an Annual Assessment Period, the Association's Executive Board shall adopt the Budget (as defined below) for the upcoming Fiscal Year. The annual budget for the Association shall include all anticipated revenues (including revenues from Annual Assessments to be charged in the next Annual Assessment Period (the "Anticipated Annual Assessments") and anticipated costs for the Association for the upcoming Fiscal Year (together the "Budget"). Within thirty (30) days after adoption of any proposed Budget for the Planned Community, the Executive Board shall provide to all of the Lot Owners a summary of the Budget and a notice of the meeting to consider ratification of the budget, including a statement that the Budget may be ratified without a quorum. The Executive Board shall set a date for a meeting of the Lot Owners to consider ratification of the Budget, such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. A quorum need not be present at the meeting. The Budget shall be ratified unless at that meeting seventy-five (75%) percent of all Lot Owners reject the Budget. In the event the proposed Budget is rejected at that meeting, the Budget for the previous Annual Assessment Period shall be continued until a subsequent Budget proposed by the Executive Board is ratified by the Lot Owners in the manner set forth above and set forth in N.C.G.S. § 47F-3-103 (c). The Anticipated Annual Assessments for the approved Budget shall be the basis for calculating the Annual Assessment to be charged each Lot Owner for the upcoming Annual Assessment Period.

5.3.2. Notwithstanding the above to the contrary, until January 1 of the year immediately following the conveyance of the first Lot to a Lot Owner, the Annual Assessments shall be: \$1,554.00 for each Lot, payable in monthly installments of \$129.50 per Lot due the first day of each month. The sum of \$19.25 of each Lot Owner's monthly installment of Annual Assessments shall be remitted by the Association to the Holly Park Master Association to cover such Lot Owner's annual assessments due the Holly Park Master Association. Without in any way limiting the Association's rights to increase or decrease Annual Assessments as provided in this Declaration, to the extent the annual

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assessments imposed on each Lot by the Holly Park Master Association are increased or decreased, from time to time, the Annual Assessments shall be similarly increased or decreased automatically.

5.3.3. As long as Declarant has a majority of the total votes, Declarant may loan the Association monies to the extent that Annual Assessments paid by the Lot Owners are inadequate. This advance shall be to the Association and on terms generally available to Declarant from its lending institution.

5.4. Special Assessment: In addition to the Annual Assessments, the Association may levy in any Annual Assessment Period a special assessment applicable to that Annual Assessment Period only (the "Special Assessment") for the purpose of defraying in whole or in part the cost of any expenditures (including capital improvements and Real Estate acquisition costs) not otherwise included in the Budget. A Special Assessment shall require the assent of two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Any Special Assessments levied against Lot Owners per the terms of the Holly Park Master Covenants may be collected directly by the Holly Park Master Association, or at the option of the Holly Park Master Association, may be collected by the Association and then remitted by the Association to the Holly Park Master Association.

5.5. Initial Assessment: At the closing of each sale of a Lot when such Lot first becomes a Lot in Use, each Lot Owner shall pay the Association an Initial Assessment of Three Hundred (\$300.00) (the "Initial Assessment"). The Initial Assessment may be used immediately to fund operating expenses of the Association, and shall not be considered an advance against Assessments to become due on and after transfer of title to the Lot Owner.

5.6. Fines and Suspension of Privileges or Services: In the event any Lot Owner should be in default for a period of thirty (30) days or longer with respect to the payment of any Assessment(s) due the Association under this Declaration, the Association may, after giving such Lot Owner notice and an opportunity to be heard, suspend privileges (including, but not limited to, such Lot Owner's rights to vote as a Member of the Association) or services (except rights of access to such Lot Owner's Lot) provided by the Association to such Lot Owner. In addition, in the event any Lot Owner should violate any of the terms and conditions of the Declaration or of the Association's Bylaws or any Rules and Regulations adopted by the Association, the Association may, after giving such Lot Owner notice and an opportunity to be heard, impose a reasonable fine upon such Lot Owner or suspend privileges or services (except rights of access to such Lot Owner's Lot). Prior to imposing a fine upon any Lot Owner or suspending any privileges or services provided to such Lot Owner by the Association, the Executive Board shall give the Lot Owner notice of the charged violation, notice of a hearing and an opportunity to be heard and to present evidence at such hearing. Such hearing shall be scheduled before an adjudicatory panel appointed by the Executive Board to hear such matters, or if the Executive Board fails to appoint such an adjudicatory panel, before the Executive Board itself. After rendering a decision, the adjudicatory panel or Executive Board, as the case may be, shall give the affected Lot Owner notice of its decision. If it is decided that a fine should

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be imposed, a fine not to exceed One Hundred Fifty Dollars (\$150.00) may be imposed for the violation and, without further hearing, for each day after notice of the decision is given to the Lot Owner that the violation continues to occur. Such fine(s) shall be Assessment(s) secured by liens under this Declaration and under N.C.G.S. §47F-3-116. If it is decided that a suspension of privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

**5.7. Uniform-Rate of Assessment.** Both Annual Assessments and Special Assessments must be fixed at a uniform rate for all Lots in Use, as the case may be. Provided, however, that the Association shall also have the authority, through the Executive Board, to establish, fix and levy a Special Assessment on any Lot to secure the liability of that Lot Owner to the Association arising from that Lot Owner's breach of any of the provisions of this Declaration. As a matter of information, it is a part of the original plan of the development to construct a variety of Townhomes with a variety of exteriors for the good of the entire Planned Community. As a result, some Townhomes will require more maintenance than others because of the type of exterior exposures. Nevertheless, it is believed that all Members will be benefited by the variety of exteriors and therefore the Association should provide exterior maintenance and make a uniform rate of charge without regard to differences in the cost of maintenance of each Townhome. Similarly, the component of the Annual Assessments attributable to water and sewer charges will be based on a uniform rate of charge rather than on usage.

**5.8. Date of Commencement of Annual Assessment/Due Dates.** The Annual Assessments shall commence as to all then existing Lots in Use on the first day of the month following the conveyance of the Common Elements shown on the map(s) on which such Lots in Use are shown to the Association. Thereafter, the Annual Assessments shall commence as to a Lot on the first day of the month following the date it becomes a Lot in Use. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Written notice of the Annual Assessment shall be sent to every Lot Owner subject thereto at least fifteen (15) days in advance of each Annual Assessment Period. The due date shall be established by the Executive Board. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. These certificates shall be conclusive evidence of payment of any Assessment as to third parties acting in reliance on the statement.

**5.9. Non-Payment of Assessment; Remedies of the Association.** Any Assessments which are not paid when due shall be delinquent. The Association shall have the option to declare the outstanding balance of any Assessment due and payable if any installment thereof becomes delinquent. If the Assessment is not paid within thirty (30) days after the due date, the assessment shall incur a late charge of \$25.00 and bear interest from the date of delinquency at the maximum rate allowed by the Act. The Association may bring an action at law against the responsible Lot Owner and/or foreclose the lien against the applicable Lot. Interest, costs, and reasonable attorney fees of any such action shall be added to the amount of the delinquent Assessment. Each Lot Owner, by the

acceptance of a deed to a Lot, expressly vests in the Association, its agents or assigns, the right and power to bring all actions against the Lot Owner personally liable for the collection of a debt and to enforce the lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in the manner permitted under the Act. Each Lot Owner also expressly grants to the Association a power of sale in connection with foreclosure of a lien for Assessments. The lien provided for in this Article shall be in favor of the Association acting on behalf of the Lot Owners, which shall have the power to bid in at foreclosure and to acquire and hold, lease, mortgage and convey the foreclosed Lot. No Lot Owner may waive or otherwise escape liability for Assessments by non-use of the Common Elements or abandonment of his Lot.

**5.10. Subordination of the Lien.** The lien of the Assessments shall be subordinated to the lien of the first mortgage on a Lot. Except in those instances described below, the sale or transfer of a Lot shall not release or otherwise affect the lien of delinquent Assessments. Provided the Association is given prior written notice of such, the sale or transfer of a Lot pursuant to the foreclosure of a first mortgage or deed of trust or pursuant to a deed in lieu given in satisfaction of a first mortgage or deed of trust shall extinguish the lien of the delinquent Assessments for that Lot. In no event, however, shall a sale or transfer relieve the Lot from liability for any Assessments subsequently becoming due or from the lien thereof

**5.11. Exempt Real Estate.** All Lots dedicated to and accepted by a local public authority and the Common Elements shall be exempt from the Assessments.

## **6. INSURANCE.**

**6.1. Authority to Purchase Insurance.** Insurance policies upon the Real Estate and improvements located within the Planned Community (except title insurance policies insuring Lot Owners and/or their Lenders) shall be purchased by the Association in the name of the Executive Board of the Association, as Trustees for the Lot Owners, for the benefit of the Lot Owners and their respective mortgages as their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages or deeds of trust on the Lots or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Lot Owners, the Association and their respective servants, agents or guests.

**6.2. Insurance Coverage to be maintained; Use and Distribution of Insurance Proceeds.** The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Lots and Common Elements:

**6.2.1. Property and Liability insurance** on and with respect to the Common Elements shall be maintained by the Holly Park Master Association in accordance with the terms and conditions of the Holly Park Master Association, and

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6.2.2. Commencing not later than the first conveyance of a Lot containing a completed Townhome thereon, the Association shall maintain property insurance covering all Buildings located within the Planned Community which contain at least one completed Townhome and covering all other improvements to Lots on which all or part of a Building has been completed in an amount equal to one hundred (100%) percent of the insurance replacement costs of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from such property policies. If coverage is provided by an insurance policy in which there is a co-insurance clause applying, every effort will be made to obtain an agreed amount endorsement or its equivalent. Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to Buildings and other improvements similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

6.2.3. The following provisions apply to insurance coverage to be maintained by the Association pursuant to Sections 6.2.1 and 6.2.2, above:

(a) If any insurance described in Sections 6.2.1 and 6.2.2, above, is not available, the Association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Lot Owners.

(b) Insurance policies carried pursuant to Sections 6.2.1 and 6.2.2 shall provide that:

- (1) Each Lot Owner is an insured person under the policy to the extent of such Lot Owner's insurable interest;
- (2) The insurer waives its right to subrogation under the policy against any Lot Owner or member of the Lot Owner's household;
- (3) No act or omission by any Lot Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will preclude recovery under the policy; and
- (4) If, at the time of a loss under the policy, there is other insurance in the name of a Lot owner covering the same risk covered by the policy, the Association's policy provides primary insurance coverage.

(c) Any loss covered by the property policies provided for in Sections 6.2.1 and 6.2.2 shall be adjusted with the Association, but the insurance proceeds for that loss are payable to any trustee designated by the Association for that purpose, or otherwise to the Association, and not to any mortgagee or beneficiary under a deed of trust. The insurance trustee or the Association shall hold any insurance proceeds in trust for Lot Owners and lienholders as their interests may appear. Subject only to the rights of first lienholders with respect to insurance

proceeds for improvements not located within the Common Elements, property insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, and Lot Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the Planned Community is terminated.

(d) An insurer that issued an insurance policy pursuant to Section 6.2.1 or Section 6.2.2 shall issue certificates or memoranda of insurance to the Association and upon request of any Lot Owner, contract purchaser of any Lot, or any mortgagee of a mortgage or any beneficiary under a deed of trust encumbering any Lot. The insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each Lot Owner and each mortgagee or beneficiary under a deed of trust to whom certificates or memoranda of insurance have been issued at their respective last known addresses.

(e) Subject only to the rights of first lienholders with respect to insurance proceeds for improvements not located within the Common Elements, any portion of the Planned Community for which insurance is required under Section 6.2.1 or Section 6.2.2, above, which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) the Planned Community is terminated, (ii) repair or replacement would be illegal under any State or local health or safety statute or ordinance, or (iii) the Lot Owners decide by an eighty (80%) percent vote, including one hundred (100%) percent approval of the Lot Owners owning any portion of a damaged or destroyed Building not to be rebuilt and one hundred (100%) percent of Lot Owners assigned to any Limited Common Elements not to be rebuilt, repaired or restored. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If any portion of the Planned Community is not repaired or replaced, (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Planned Community, (ii) the insurance proceeds attributable to Buildings which are not rebuilt shall be distributed to the Lot Owners of the Lots upon which all or a portion of those Buildings were located, or to lienholders, taking into account the replacement costs of the respective losses suffered by the affected Lots, as their interests may appear, (iii) the insurance proceeds attributable to Limited Common Elements which are not rebuilt shall be distributed to the Lot Owners of the Lots to which those Limited Common Elements were allocated, or to lienholders, as their interests may appear, and (iv) the remainder of the proceeds shall be distributed to all of the Lot Owners or lien holders, as their interests may appear, in proportion to the Common Expense Liabilities of all the Lots. Notwithstanding the foregoing, in the event the Planned Community is terminated, the distribution of insurance proceeds shall be governed by N.C.G.S. § 47F-2-118.

6.2.4. Each Lot Owner shall at the time of acquiring title to a Lot in Use, and throughout his or her period of ownership of such Lot, obtain and maintain:

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(a) Property insurance covering all of such Lot Owner's personal property located within the Planned Community, the policy or policies for which shall waive any rights of subrogation such Lot Owner's insurer has or may have against the Association or other Lot Owners for negligence resulting in loss of or to such personal property;

(b) Liability insurance in reasonable amounts covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership, or maintenance of such Lot Owner's Lot, the policy or policies for which shall waive any rights of subrogation such Lot Owner's insurer has or may have against the Association or other Lot Owners.

6.2.5. Fidelity Coverage protecting against dishonest acts by Association officers, directors, trustees, and employees and all others who are responsible for handling funds of the Association in the amount of one year's operating budget, plus projected reserve balance during the budget year. If professional management is obtained by the Association and it has this coverage and it handles the funds, then this requirement will be satisfied.

6.2.6. In the event a mortgagee endorsement has been issued as to a Lot, the share of the Lot Owner shall be held for the mortgagee and the Lot Owner as their interest may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

6.2.7. Each Lot Owner at his expense, may obtain such additional insurance coverage on his Lot, personal property and personal liability and any additional insurance shall contain waiver of subrogation clause.

6.2.8. Immediately after the casualty causing damage to property, the Association shall obtain reliable and detailed estimates of the cost to place the damaged real property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Executive Board of the Association deems appropriate.

6.2.9. Each Lot Owner delegates to the Executive Board of the Association his right to adjust with insurance companies all losses under policies purchased by the Association.

#### **6.3. Repair/Reconstruction.**

6.3.1. Any reconstruction or repair of any improvements damaged by fire or other casualty shall be substantially in accordance with the original plans and specifications.

6.3.2. In the event of damage to any property covered by insurance written in the name of the Association, the Executive Board shall, with concurrence of the first mortgagee, if any, upon receipt of insurance proceeds resulting from losses resulting to areas other than the Common Elements, contract to rebuild or repair the damage to as good condition as formerly. In the event the

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insurance proceeds are insufficient to pay all of the costs of repairing and/or rebuilding to the same condition as formerly, the Executive Board shall, upon obtaining the required Member approval, levy a Special Assessment against all Members to make up any deficiency.

6.4. Premiums. Premiums for contracts of insurance purchased by the Association shall be paid by the Association and shall be a Common Expense.

6.5. Prohibited Acts. No Lot Owner shall do or keep anything within the Planned Community which shall cause an increase in the premiums for or the cancellation of any insurance maintained by the Association.

## **7. PARTY WALL.**

7.1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of a Building and placed on a dividing line between Lots and all reconstruction or extensions of such walls shall constitute party walls. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls, lateral support, in-below ground construction and of liability for property damage due to negligence or willful acts or omissions shall apply.

7.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be a Common Expense.

7.3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the Association shall restore it. If the insurance proceeds shall be inadequate to cover the costs of reconstruction, the Association shall levy a Special Assessment to cover such shortfall from all Lot Owners, whether or not affected by the damage or destruction.

7.4. Construction or Reconstruction. The Association shall repair or reconstruct a party wall subject to and within the limitations of architectural control and other limitations of this Declaration with the right to go upon the adjoining Lot to the extent reasonably necessary to perform the construction. The construction shall be done expeditiously. Upon completion of the construction, the Association shall restore, as is reasonably practicable, the adjoining Lot to as near the same condition which prevailed on or before the commencement of the construction.

7.5. Weatherproofing. Notwithstanding any other provisions of this Article, a Lot Owner who, by his negligence or willful act, causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against those elements.

7.6. The Right to Contribution Runs with the Land. The right of any Lot Owner to contribution from any other Lot Owner under this Article shall be appurtenant to the land and shall pass to the Lot Owners' successors in title.

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7.7. Contribution Certification by Adjoining Real Estate Lot Owner. If any Lot Owner desires to sell his Townhome, he may, in order to assure a prospective purchaser that no adjoining Lot Owner(s) has a right of contribution as provided in this Declaration, request that the adjoining Lot Owner(s) provide a certification that no right of contribution exists. It shall be the duty of each adjoining Lot Owner to make such certification immediately upon request and without charge; provided, however, that where the adjoining Lot Owner claims a right of contribution, the certification shall contain a recital of the amount claimed. In the event an adjoining Lot Owner refuses or neglects to provide such certification, it shall be deemed a waiver to proceed against such Lot Owner or his successors for any contributions which may have accrued to that date.

## 8. EXTERIOR MAINTENANCE.

8.1. Maintenance Responsibility. In addition to maintenance of the Common Elements, the Association shall provide exterior maintenance for each Lot in Use, which shall be a Common Expense, as follows: Paint, repair and replace exterior Building surfaces, roofs, gutters and downspouts; maintenance of trees, shrubs, grass, walks, and driveways within the Lots (excluding rear yards within enclosed fenced areas maintained by the respective Lot Owners) and the Common Elements; and maintenance of all other exterior Improvements initially installed by Declarant. This exterior maintenance shall not include any maintenance specifically designated as the Lot Owner's responsibility elsewhere in this Declaration. In order to enable the Association to accomplish the foregoing, it is reserved to the Association the right to unobstructed access over and upon each Lot and each Townhome at all reasonable times to perform maintenance as provided in this section. The Lot Owner shall not place any furniture, place or construct any Improvements, or plant any vegetation in the front yard or, except with the prior approval required by Article 11, outside enclosed fenced areas in the rear yard of a Lot. After receiving the required approval, the Lot Owner may plant flowers and grass outside enclosed fenced areas in his rear yard and may also maintain portions or all of his rear yard, provided that such maintenance by the Lot Owner does not hinder the Association in performing its exterior maintenance obligations. In that event, the Lot Owner shall maintain such plantings or other maintenance. No such maintenance by a Lot Owner shall reduce the assessment payable by him to the Association. If, in the opinion of the Association, any Lot Owner fails to maintain his rear yard in a neat and orderly manner, the Association may perform the required maintenance and assess Lot Owner for those costs.

8.2. Cost of Maintenance. In the event that the need for maintenance or repair is caused through the willful or negligent act of the Lot Owner, his family guests, tenants, contractors, employees or invitees, or is caused by any hazard covered under a North Carolina Standard Fire and Extended Coverage Insurance policy, the cost of such maintenance or repair shall be added to and become a part of the Assessment to which the Lot is subject.

8.3. Maintenance Procedures. The Association shall establish regulations governing the procedure for exterior maintenance. In the event any Lot Owner desires to expend a sum greater than that sum authorized by the Association, he/she shall advance to the Association, prior to the

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commencement of work an amount necessary to cover the additional expenses and a lien shall be established against the Lot Owner's Lot for any deficiency.

9. **EASEMENTS.** Easements over the Common Elements have been reserved and granted in accordance with the terms and conditions of the Holly Park Master Covenants. The Holly Park Master Association may delegate the right to use such easements as it is entitled to use to the Association. Each Lot Owner within the Planned Community shall be entitled to use such easements to the same extent any other Member of the Holly Park Master Association is entitled to use the same.

#### 10. **ARCHITECTURAL COMMITTEE.**

10.1. **Members.** The Architectural Committee shall consist of one (1) or more persons designated by the Declarant. At such time as Declarant no longer owns any Real Estate within the Planned Community (or earlier if the Declarant shall surrender this right in a written instrument in recordable form executed by Declarant ), the rights, powers, duties and obligations of the Architectural Committee shall without further action pass to the Association, whereupon the Executive Board shall then appoint three (3) or more persons as the members of the Architectural Committee. Prior to December 31, 2006, this provision shall not be amended or revoked without the Declarant's written consent.

10.2. **Powers.** The Architectural Committee shall have the right to refuse to approve any plans and specifications for Improvements proposed to be constructed on a Lot (the "Plans & Specifications") which are not suitable or desirable, in its sole discretion, for aesthetic or any other reasons, provided such approval is not unreasonably withheld. In approving or disapproving Plans & Specifications, the Architectural Committee shall consider the purposes of the Declaration as discussed in the Recitals, including the suitability of the proposed Improvements and materials to be used in those Improvements, the site upon which it is proposed to be erected, and the effect of the Improvements on adjacent or neighboring Real Estate. There is specifically reserved unto the Architectural Committee the right of entry and inspection upon any Lot for the purpose of determining whether there exists any construction of any Improvements which violates the terms of any approval by the Architectural Control Committee or the terms of this Declaration or of any other applicable covenants, conditions and restrictions. The Architectural Committee and the Executive Board is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy. In the event it becomes necessary to resort to litigation to determine the propriety of any constructed Improvement, or to remove any unapproved Improvements, the prevailing party shall be entitled to recovery of all court costs and expenses (including reasonable attorney's fees).

#### 11. **ARCHITECTURAL CONTROL AND USE RESTRICTIONS.**

11.1 **Building Sites.** Each Lot, as approved by the appropriate governmental entity, shall constitute a building site (a "Building Site") and shall be used for residential purposes only. The lay of the Lots as shown on the recorded plat shall be substantially adhered to; provided, however, that

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with the prior written approval of the Declarant (as long as Class B Membership exists), or, thereafter, the Association's Board or the Architectural Committee, and the appropriate governmental authority, the size and shape of any Lot may be altered. More than one Lot may be used as one Building Site provided the location of any structure permitted thereon is approved in writing by the Architectural Committee or the Declarant, its successors or assigns, and said Lot is recombined in accordance with any applicable zoning or other laws in force at the time of the change.

**11.2. Setbacks.** Except as contemplated by the party walls, no structure shall be located on any Building Site nearer than the minimum setback required by applicable zoning or other laws. For the purposes of this covenant, eaves, steps, carports and open porches shall not be considered as a part of a Building, provided, however, that this shall not be construed to permit any portion of a Building on a Building Site to encroach upon another Lot. Provided it otherwise complies with the applicable zoning ordinances and the setbacks, if any, shown on the applicable recorded plat, the Declarant and/or the Architectural Committee may approve by written waiver a violation of these requirements.

**11.3. Structures, Improvements on any Building Site** shall be restricted solely to residential dwellings for residential use and a storage building constructed by the builder at the time of initial construction. All Improvements erected upon a Lot shall be of new construction and no building or structures, other than the Amenities constructed by the Declarant or the Association and single-family Townhome buildings joined by a common exterior roof and foundation, shall be constructed. No building or structures shall exceed three (3) stories in height. No structures of a temporary character, manufactured home, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any portion of the Planned Community at any time as a residence, either temporarily or permanently.

**11.4. Approval of Plans & Specifications.** No improvement shall be commenced, erected, or maintained within the Planned Community, nor shall an improvement be repaired or rebuilt after destruction by any hazard until completed Plans & Specifications, showing the nature, kind, space, height, materials, and location of the Improvement shall have been submitted to and approved in writing by the Architectural Committee. A failure to approve or disapprove completed Plans & Specifications within forty-five (45) days after they have been submitted shall be deemed to be an approval of those Plans & Specifications. Neither the Association, the Association's Executive Board, the Declarant, the Architectural Committee nor any officer, employee, director or members thereof shall be liable for damages to any persons by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval, disapproval or failure to approve any Plans & Specifications. Every person who submits Plans & Specifications for approval agrees, by submission of such Plans & Specifications, that it will not bring any action or suit to recover any such damages.

**11.5. Declarant Facilities.** Notwithstanding any provision in this Article to the contrary, during the period of development and sale of the Lots and Townhomes the Declarant, and any builder revocably permitted by Declarant, is permitted, subject to the laws of the applicable governmental

authority, to maintain such facilities and conduct such sales activities as Declarant deems reasonably required, convenient, or incidental to the development and sale of the Lots and Townhomes. These facilities/activities shall include but not be limited to sales tours, sales parties and promotions at the Amenities, a business/sales office, storage area, construction yards, model units, and signs. Prior to December 31, 2015, this provision shall not be amended or revoked without the Declarant's written consent.

11.6. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on the Lots, except that a reasonable number of domesticated, household pets may be kept, provided they are not maintained for commercial purposes.

11.7. Screening. All equipment, garbage cans, service yards, wood piles, or storage piles shall be kept screened by adequate improvements so as to screen them from view from the street and adjoining Lots. All garbage, trash, or rubbish shall be regularly removed from the Lot and shall not be allowed to unreasonably accumulate. No clothes lines, whether screened or not, shall be allowed outside of the Lot Owner's Townhome.

11.7.1 Privacy Fencing. No privacy fences are permitted in front yards. Any privacy fencing in rear yards shall be of materials approved by the Architectural Community, not to exceed 6 feet in height. Fence shall match existing party fencing between lots.

11.8. Leasing. No Lot or any portion of the Improvements thereon shall be leased for transient or hotel purposes, except that a Lot Owner may lease not less than the entire residential structure on its Lot, provided that each lease must be in writing, must be for a period of not less than one (1) year, and must provide that it is subject to this Declaration and the By-Laws and that any failure by a tenant to comply with such shall be a default under the lease. The Lot Owner shall promptly provide the Association with copies of any and all leases entered into by the Lot Owner.

11.9. Utility Devices. Without the prior written approval and the authorization of the Declarant (as long as Class B Membership exists), the Association's Board or the Architectural Committee, no exterior television or radio antennae, satellite dishes or solar panels or other utility devices, of any sort shall be placed, allowed or permitted upon any portion of the exterior of the Improvements to be located within the Planned Community except to the extent prohibition of the such devices is itself expressly prohibited by law. The Declarant and the Association, for the common benefit of the Lot Owners, reserves the right to install within the Planned Community such utility devices necessary to provide cable TV or similar services.

11.10. Business/Obnoxious Activity. No business activity of any kind or any obnoxious or offensive activity shall be carried on within the Planned Community or Improvements thereon, nor shall anything be done which may be or may become a nuisance or annoyance to the neighborhood. Nor shall any portion of the Planned Community be used in any way or for any purpose which may endanger the health or unreasonably disturb an Lot Owner or his tenants or invitees. No "For Sale," "For Rent" or similar signs (except as otherwise specifically authorized by the Association),

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advertising signs or tent signs, bill boards, unsightly objects or nuisances shall be erected, placed or permitted to remain within the Planned Community, and in no event in the Common Elements. The foregoing covenants shall not, however, apply to the business activities, signs, and billboards or the construction and maintenance of buildings, if any, of Declarant, its agents and assigns (including builders), during the construction and sales period for the Lots and the dwelling units constructed thereon. This right of the Declarant shall nevertheless be subject to applicable local ordinances and/or laws.

**11.11. Vehicles.** No boats, recreation vehicles, campers, tractors, trucks (other than one pick-up truck rated one-half ton or less), or trailers (the "Vehicles") of any Lot Owner or member of his family, his tenants, guest or contract purchasers shall be parked within the Common Elements. All Vehicles shall be stored either within the Lot Owner's garage or other facilities not located within the Planned Community. No Lot Owner shall park or store an inoperative or abandoned Vehicle or automobile on any Lot or on the streets or Common Elements in the Subdivision.

**11.12. Tanks.** Other than hot tubs or similar devices approved by the Architectural Committee, no above or below-ground tanks or pools will be permitted for the storage of fuel or water or any other substance. The installation of such approved hot tubs or similar devices shall be subject to reasonable screening requirements established by the Architectural Committee.

**11.13. Lawn Ornaments.** No decorative lawn ornaments shall be placed on any Lot without the prior written approval of the Architectural Committee.

**11.14. Parking.** Adequate off-street parking shall be provided to the Lot Owner of each Lot for the parking of automobiles and Vehicles owned by that Lot Owner. Lot Owners shall not be permitted to park their automobiles and Vehicles on the Common Elements.

**11.15. Maintenance.** Maintenance, upkeep, and repairs of any patio, deck, porch decking, screens and screen doors, exterior doors, and windows and window fixtures other hardware and improvements outside the boundaries of the Improvements as originally constructed shall be the sole responsibility of the individual Lot Owner of the Lot and not in any manner the Association's. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the Common Elements and all exteriors and roofs of the Townhomes, including, but not limited to, recreation and parking areas and walks, shall be taken by the Association or by its duly delegated representatives. All fixtures and equipment installed within a Townhome commencing at a point where the utility lines, pipes, wires, conduits, or systems are within the Townhome's exterior walls, including the courtyards, shall be maintained and kept in repair by the Lot Owner thereof. A Lot Owner shall do no act, nor any work that will impair the structural soundness or integrity of another Townhome, nor impair any easement or hereditament, nor do any act or allow any condition to exist which will adversely affect the other Townhomes or their Lot Owners. All private utility systems (other than those serving a single Lot) located outside the exterior walls and/or within the Common Elements shall be maintained by the Association. All public utility systems located outside the exterior walls and/or within the Common Elements shall be maintained by the appropriate utility company or governmental authority.

11.16. Governmental Regulations. Each Lot Owner shall comply with all laws, ordinances, governmental building codes, health regulations, zoning restrictions and the like applicable to its Lot and/or Common Elements. In the event of any conflict between any provision of such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply.

11.17. Additional Restrictions. The Declarant (as long as it hold Class B Membership) and thereafter, the Association, the Association's Board, or the Architectural Committee shall have the power to formulate, amend, publish and enforce other reasonable rules and regulations concerning the architectural control and use of the Real Estate within the Planned Community.

11.18. Anti-Discrimination. No action shall at any time be taken by the Declarant, the Association, the Association's Board, or the Architectural Committee in the enforcement or interpretation of this Declaration which in any manner would unfairly discriminate against any Lot Owner in favor of any of the other Lot Owners.

11.19. Limited Liability. In no case shall the Declarant or the Association be responsible for failing to provide any emergency or regular fire, police or other public service to the Planned Community, or to the Lot Owners or Lot occupants. In no case shall any local or municipal authority or the State of North Carolina be responsible for maintaining any private street. Such responsibility shall rest with the Association and/or Lot Owners.

11.20. Waiver. Notwithstanding anything above to the contrary, the Declarant (as long as Class B Membership exists), the Association's Board, or the Architectural Committee shall have the right, in the exercise of their reasonable discretion, to waive one or more violations of the requirements of this Article. No waiver shall be effective unless in writing and nevertheless shall not operate as a waiver of any other requirement respecting the Lot in question or any other Lots subject to this Declaration. No waiver shall be effective if it shall cause the Lot or structures thereon to be in nonconformance with any applicable governmental ordinances.

## 12. GENERAL PROVISIONS.

12.1. Enforcement. The Declarant (as long as Class B Membership exists), the Association or any Lot Owner shall have the right to enforce, by a proceeding at law or in equity, the terms of the Declaration. Failure by the Association or by any Lot Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

12.2. Severability. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

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12.3. Amendment.

12.3.1. The Declaration shall run with the land for a term of twenty (20) years from the date of recording of the Declaration or the last Supplementary Declaration or amendment thereto, and shall inure to the benefit of the Declarant (as long as Class B Membership exists), the Association or any Lot Owner or their respective legal representatives, heirs, successors, and assigns. This Declaration shall thereafter automatically be extended for successive periods of ten (10) years. Except as specifically otherwise provided in this document, the Declaration may be amended by an instrument signed by not less than the Lot Owners of sixty-seven percent (67.0%) of the Lots.

12.3.2. If an amendment is executed, each such amendment shall be delivered to the Association's Board which shall, within thirty (30) days:

- (a) Reasonably assure itself that the amendment has been executed by the Lot Owners of the required number of Lots (for this purpose, the Board may rely on its roster of Members, and shall not be required to cause the title to any Lot to be examined); and
- (b) Attach the following certification:

CERTIFICATION

*By authority of its Executive Board, Holly Park Townhome Association, Inc. certifies that the foregoing instrument has been duly executed by the Lot Owners of sixty-seven percent (67%) of the Lots in the Planned Community and is therefore a valid amendment to the Declaration recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ in the office of the Register of Deeds for Union County, North Carolina.*

Holly Park Townhome Association, Inc.

BY: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary  
(CORPORATE SEAL)

Within the thirty (30) day period, the Association's Board shall cause the amendment to be recorded with the appropriate Register of Deeds' office. All amendments shall be effective from the date of recordation in the appropriate Register of Deeds' office; provided, however, that no such instrument shall be valid until it has been indexed in the name of the Association.

12.4. Disputes. In the event of any dispute arising concerning a provision of this Declaration, such dispute shall be settled by legal proceedings or the parties may, by mutual

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agreement, submit the dispute to a committee appointed by the Association for this purpose, and once submitted, the parties agree to be bound by the decision of that committee.

12.5. Voting. Voting by Members of the Association shall be in accordance with the applicable provisions set forth in this Declaration and the Bylaws.

12.6. Member Addresses. Each Member agrees to keep the Association informed of his address at any time and any notice sent or delivered to that address shall be sufficient. Each new Member agrees to provide the Association with evidence of his Lot Ownership for preparation of a membership roster and the roster as so completed shall be sufficient evidence as to the Lot Ownership of each Lot.

12.7. Gender and Grammar. All words and phrases in this Declaration shall be construed to include the singular or plural number, and the masculine, feminine, or neuter gender, as the context requires.

12.8. Lot Owner Responsibility. Notwithstanding anything in this Declaration to the contrary, a Lot Owner shall be responsible for any and all violations of these Declarations by his employees, agents, tenants, guests and invitee. When a party to this Declaration consists of more than one individual or entity, such party's liability hereunder shall be joint and several.

12.9. Construction. This Declaration shall be construed in accordance with the laws of North Carolina without giving effect to its conflict of laws principles. In case of any conflict between the Declaration and the Articles or the Bylaws, the Declaration shall control.

12.10. Exhibits. All Exhibits and Schedules, if any, attached to this Declaration are hereby incorporated by reference and made a part of this Declaration. The term "Declaration" as used herein shall be deemed to include all such Exhibits and Schedules.

12.11. Remedies. In the event of any default in and/or breach of any of the terms, conditions and provisions of this Declaration (either actual or threatened) the party or parties who are thereby aggrieved shall have the right to specific performance and/or injunction in addition to any and all other rights and remedies at law or in equity. The rights and remedies provided by this Declaration are distinct and cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. No delay or omission of a party to exercise any right or power arising from any default on the part of the other shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein. The rights and remedies provided herein are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

12.12. Approval. As long as there is a Class B membership and as long as the Planned Community has been approved for VA or FHA guaranteed loans (but not otherwise), the following actions will require prior approval of the Veterans Administration and/or the Department of Housing

and Urban Affairs; annexation of additional Properties; conveyance of Common Elements; dedication of or withdrawal of land from dedication of Common Elements; or amendment of this Declaration.

12.13 **Termination.** Any termination of the Planned Community shall be effected in accordance with N.C.G.S. § 47F-2-18 unless such termination shall have been caused by a taking of all of the Lots by eminent domain, in which case such termination will be effected in accordance with N.C.G.S. § 47F-1-107.

12.14 **Attorneys Fees.** Except as provided in N.C.G.S. § 47F-3-116, in any action brought to enforce provisions of this Declaration, the Association's Articles of Incorporation or ByLaws, or rules or regulations duly adopted by the Association, the prevailing party in such action shall be entitled to collect reasonable attorney's fees awarded by the court having jurisdiction over such action.

12.15 **Rules of Construction.** In the event of a conflict between the provisions of the Declaration and the Association's ByLaws, the Declaration shall prevail except to the extent it is inconsistent with the Act. To the extent any provisions of the Declaration, the Association's Articles of Incorporation or ByLaws violate the Act, such provisions shall be deemed amended and shall be construed to the extent necessary to comply with the Act.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed by its corporate general partner by its duly authorized officers with its seal to be hereunto affixed by authority of its Board of Directors, this day first above written.

THE MATHISEN COMPANY

BY:   
President



BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By:   
President

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**BB&T COLLATERAL SERVICE  
CORPORATION, Trustee**

BY: *[Signature]*  
President

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Kyle L. Noble, a Notary Public certify that Brian Johnson  
personally came before me this day and acknowledged that he/she is \_\_\_\_\_ President of THE  
BB&T COLLATERAL SERVICE COMPANY, a North Carolina corporation, and that he/she, as \_\_\_\_\_ President, being  
authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 24th day of May, 2003.

*[Signature]*  
Notary Public  
My Commission Expires: March 6, 2006

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Kyle L. Noble, a Notary Public certify that  
*[Signature]* personally came before me this day and acknowledged that he/she is VICE  
President of BRANCH BANKING AND TRUST COMPANY, and that he/she, as VICE President,  
being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 30 day of May, 2003.

*[Signature]*  
Notary Public  
My Commission Expires: 10/1/2003

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STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Sandra Thross, a Notary Public certify that Ally Kelly  
personally came before me this day and acknowledged that he/she is Vice President of BB&T  
COLLATERAL SERVICE CORPORATION, Trustee, and that he/she, as Vice  
President, being authorized to do so, executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 30 day of May, 2003.

William S. Thross  
Notary Public  
My Commission Expires: 1/30/2008



NORTH CAROLINA-UNION COUNTY  
The foregoing certificate(s) of  
Kyla L. Dobles & Sandra  
L. Thross  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
to be correct.  
Notary Public  
JUDY G. PRICE, REGISTER OF DEEDS  
BY: Sandra Thross  
ASSISTANT

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## EXHIBIT "A"

BEING located in near the Town of Indian Trail, Union County, North Carolina, and being more particularly described as follows:

To find the point and place of BEGINNING proceed from a point in the center line of Wesley Chapel-Stouts Road (SR 1377) at the southwestern corner of the property conveyed to The Mathisen Company (DB 1027, P 96, Union County Registry), said point also being on the southerly boundary line (now or formerly) of the Town of Indian Trail and runs thence with the center line of Wesley Chapel-Stouts Road three (3) courses and distances as follows: (1) S. 28-04-32 W. 29.53 feet; (2) S. 25-35-57 W. 47.38 feet; and (3) S. 23-39-29 W. 27.66 feet to a point; thence from said point in the center line of Wesley Chapel-Stouts Road with the northeasterly line of the property conveyed to Randy H. Aycoth and wife, Tilly W. Aycoth (DB 454, P 164, Union County Registry) N. 47-17-52 W. 389.38 feet to an iron; thence with the line of Randy H. Aycoth and wife, Tilly W. Aycoth (now or formerly) S. 47-46-58 W. 223.49 feet to an iron; thence with the line of the property conveyed to Hazel H. Aycoth (DB 442, P 137, Union County Registry) 476.25 feet to the POINT AND PLACE OF BEGINNING; and runs thence with the lines of Hazel H. Aycoth (now or formerly) and the property conveyed to Brenda G. Hilton (DB 444, P 156, Union County Registry) S. 47-21-59 W. 825.02 feet to an iron; thence N. 40-19-13 W. 1312.17 feet to an iron in the southerly line of John Leroy Rushing and wife, Faire P. Rushing and David Fuller (DB 424, P 532, Union County Registry); thence with the southerly line of Rushing and Fuller (now or formerly) N. 50-31-36 E. 767.32 feet to a point; thence S. 47-17-52 E. 859.56 feet to a point; thence S. 20-22-44 E. 97.22 feet to a point; thence with the curve of a circle to the right having a radius of 150.00 feet, an arc distance of 73.56 feet to a point; thence S. 82-16-57 E. 25.00 feet to a point; thence S. 42-38-10 E. 244.17 feet to THE POINT AND PLACE OF BEGINNING.

RX3209PC353

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Filed for Reg'd 2008  
Date 4/20/08 9:00 AM  
Time 4:00 PM  
JUDY G. PRICE, Register of Deeds  
Union County, North Carolina

Drawn by and mail to:  
Douglas P. MacCallian, Attorney  
6637 Fairview Road, Suite 100  
Charlotte, NC 28210

**SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE IV, CAREFREE LOTS**

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth  
by THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

**WITNESSETH:**

WHEREAS, Declarant has heretofore executed the Declaration of Covenants,  
Conditions and Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the  
Union County Public Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserved the  
right to annex additional land and make the same subject to the Declaration; and

WHEREAS, pursuant to Section 5.3.3 of the Declaration the Declarant reserved the  
right to determine the maximum annual assessments attributable to Master Lots at the time  
such Master Lots are to be developed, taking into account the number of dwelling units  
which may be developed thereon as well as any special facilities or services provided by  
the Association to the Owners of said Master Lots and provided such annual assessments  
are clearly stated in the Supplementary Declaration making such Master Lots subject to  
the terms and conditions of the Declaration.

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the  
land more particularly described below is a Master Residential Lot made subject to the  
Declaration and all the terms and conditions thereof, and, further, such land is subject to  
the jurisdiction of Holly Park Homeowners Association, Inc. (the "Association") and the  
assessments levied by the Association with respect to each Lot developed within or upon  
such Master Lot shall initially be \$70.00 per month. Said monthly assessments include  
\$19.25 per month for such Lot's share of common area maintenance, and \$50.75 per

month for lawn and landscape services which the Association shall provide for each lot developed within the Master Lot hereby made subject to the Declaration. As subdivision plats are recorded for developed areas of the Master Lot, Common Areas within said subdivision plats shall be contemporaneously conveyed to the Association. All persons or entities which may become owners of Lots developed within the Master Lot shall pursuant to the terms of the Declaration become members of the Association. The additional land hereby annexed as a Master Lot is more particularly described as follows:

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina, and being more particularly described as follows:

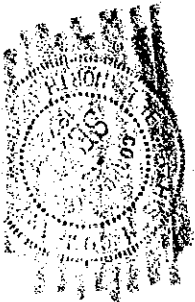
**BEGINNING** at a point in the center line of Wesley Chapel-Stouts Road (SR 1377) at the southwestern corner of the property conveyed to The Mathisen Company (DB 1027, P 96, Union County Registry), said point also being on the southerly boundary line (now or formerly) of the Town of Indian Trail and runs thence with the center line of Wesley Chapel-Stouts Road three (3) courses and distances as follows: (1) S. 28-04-32 W. 29.53 feet; (2) S. 25-35-57 W. 47.38 feet; and (3) S. 23-39-29 W. 27.66 feet to a point; thence from said point in the center line of Wesley Chapel-Stouts Road with the northeasterly line of the property conveyed to Randy H. Aycoth and wife, Tilly W. Aycoth (DB 454, P 164, Union County Registry) N. 47-17-52 W. 389.38 feet to an iron; thence with the line of Randy H. Aycoth and wife, Tilly W. Aycoth (now or formerly) S. 47-46-58 W. 223.49 feet to an iron; thence with the lines of the property conveyed to Hazel H. Aycoth (DB 442, P 137, Union County Registry) and the property conveyed to Brenda G. Hilton (DB 444, P 156, Union County Registry) S. 47-21-59 W. 476.25 feet to a point; thence N. 42-38-01 W. 244.17 feet to a point; thence N. 82-16-57 W. 25.00 feet to a point; thence with the curve of a circle to the left having a radius of 150.00 feet an arc distance of 73.56 feet to a point; thence N. 20-22-44 W. 97.22 feet to a point; thence N. 47-17-53 W. 859.56 feet to a point; thence N. 50-31-36 E. 706.57 feet to a point on the southerly boundary line of the Town of Indian Trail; thence with the boundary line of the Town of Indian Trail (now or formerly) and with the line of The Mathisen Company (DB 1027, P 96, Union County Registry) S. 47-17-52 E. 1586.37 feet to the point and place of **BEGINNING**.

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 24th day of May, 2003.

THE MATHISEN COMPANY

By:

  
President



BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note, by \_\_\_\_\_, a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By: *John B. Baker*  
\_\_\_\_\_  
President

BB&T COLLATERAL SERVICE  
CORPORATION, Trustee

By: *Paul J. J. J. J.*  
\_\_\_\_\_  
President

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Kyle L. Nobles, a Notary Public certify that  
Brian Johnson personally came before me this day and acknowledged that  
he/she is President of THE MATHISEN COMPANY, a North Carolina corporation,  
and that he/she, as President, being authorized to do so, executed the foregoing  
instrument on behalf of the corporation.

Witness my hand and seal, this 24th day of May, 2003.

*Kyle L. Nobles*  
Notary Public  
My Commission Expires: March 6, 2006



STATE OF NORTH CAROLINA  
COUNTY OF UNION

PK 3209 PG 356

I, Sandra L Hinson, a Notary Public certify that  
Tan Ballen personally came before me this day and acknowledged that  
he/she is Vice President of BRANCH BANKING AND TRUST COMPANY, and that  
he/she, as Vice President, being authorized to do so, executed the foregoing instrument  
on behalf of the corporation.

Witness my hand and seal, this 30 day of May, 2003.

Sandra L Hinson  
Notary Public  
My Commission Expires: 12/2/2008

STATE OF NORTH CAROLINA  
COUNTY OF UNION

I, Sandra L Hinson, a Notary Public certify that  
Myself personally came before me this day and acknowledged that  
he/she is Vice President of BB&T COLLATERAL SERVICE CORPORATION,  
Trustee, and that he/she, as Vice President, being authorized to do so,  
executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 30 day of May, 2003.

Sandra L Hinson  
Notary Public  
My Commission Expires: 12/2/2008

NORTH CAROLINA-UNION COUNTY

The foregoing certificate(s) of

Sandra L Hinson is/are

to be correct.  
Notary Public  
I have verified

JUDY G. PRICE, REGISTER OF DEEDS  
BY VERONICA COCCA  
Assistant

PK 3243PR606

48509

FILED  
ID: 78003  
Date 2025 Time 2:55 P  
JUDY G. PRICE, Register of Deeds  
Union County, Moore, North Carolina

Drawn by and mail to:  
Douglas P. MacMillan, Attorney  
6837 Fairview Road, Suite 100  
Charlotte, NC 28210

SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE IV, CAREFREE LOTS

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth by  
THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and  
Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the Union County Public  
Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserved the right to  
annex additional land and make the same subject to the Declaration; and

WHEREAS, pursuant to Section 5.3.3 of the Declaration the Declarant has heretofore  
executed and recorded a Supplementary Declaration in Book 3209, at Page 353 of the Union County  
Registry in which the Declarant added and made subject to the Declaration a *Master Lot* therein  
described and, as permitted under the Declaration, set forth the annual assessments applicable to Lots  
developed within such *Master Lot*; and

WHEREAS, the Declarant feels it to be advisable to identify the Lots and other real property  
developed within said *Master Lot* which are subject to the terms and conditions of the Declaration  
as maps of portions of the *Master Lot* are recorded in the Union County Registry;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the Lots and  
other property more particularly described below are subject to the Declaration and all the terms and  
conditions thereof, and, further, such land is subject to the jurisdiction of Holly Park Homeowners  
Association, Inc. (the "Association") and the assessments levied by the Association with respect to  
each Lot described below shall initially be \$70.00 per month, as stated in the above referenced


Supplementary Declaration. The land within said Master Lot which is made subject to the Declaration are more particularly described as follows:

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina, and being more particularly described as follows:

*BEING all of: Lots 1 through 4, in Block A, inclusive; Lots 18 through 26, in Block A, inclusive; Lots 33 through 41, in Block A, inclusive; Lots 45 through 51, in Block A, inclusive; and all areas of land designated as Common Elements; as shown on map of HOLLY PARK, Phase 4, Map 1, recorded in Plat Cabinet H, File No. 748, in the office of the Union County, North Carolina, Public Registry.*

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 7th day of October, 2003.

THE MATHISEN COMPANY

By:   
Vice \_\_\_\_\_ President

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By:   
Vice \_\_\_\_\_ President

BB&T COLLATERAL SERVICE CORPORATION, Trustee

BY:   
President

STATE OF NORTH CAROLINA  
COUNTY OF Union

RK 3243 PG.608

I, Beverly Hasey-Puse, a Notary Public certify that N. A. Mathisen personally came before me this day and acknowledged that he/she is Vice President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 7th day of October, 2003.



[Signature]  
Notary Public  
My Commission Expires: 01/03/2005

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Andrew L Hasey, a Notary Public certify that Steve Thomas personally came before me this day and acknowledged that he/she is Vice President of BRANCH BANKING AND TRUST COMPANY, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 7 day of October, 2003.

[Signature]  
Notary Public  
My Commission Expires: 11/27/2003

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Beverly Hasey, a Notary Public certify that Al Lively personally came before me this day and acknowledged that he/she is Vice President of BB&T COLLATERAL SERVICE CORPORATION, Trustee, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 7 day of October, 2003.

[Signature]  
Notary Public  
My Commission Expires: 11/27/2003

C:\WPDOCS\DATA\THISEN\Helly Park\Supplementary Declaration Phase IV Carline2

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

Beverly Hasey-Puse  
and/or Andrew L Hasey

is/are ( ) Notary Public  
( ) Notary Public

is/are correct

-3-  
JUDY G. PRICE, RECORDER OF DEEDS  
BY ADRIANA CHASSCO

ref. 5/11

RK 3243 PG 609

48510

Drawn by and mail to:  
Douglas P. MacMillan, Attorney  
6837 Fairview Road, Suite 100  
Charlotte, NC 28210

Filed for record  
Date 10/7/2003  
Time 8:55 o'clock P M  
JUDY G. PRICE, Register of Deeds  
Union County, Morrow, North Carolina

SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE IV, HOLLY PARK TOWNHOMES

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth by  
THE MATHISEN COMPANY, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and  
Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the Union County Public  
Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserved the right to  
annex additional land and make the same subject to the Declaration; and

WHEREAS, pursuant to Section 5.3.3 of the Declaration the Declarant has heretofore  
executed and recorded a Supplementary Declaration in Book 3209, at Page 349 of the Union County  
Registry in which the Declarant added and made subject to the Declaration a *Master Lot* therein  
described and, as permitted under the Declaration, set forth the annual assessments applicable to Lots  
developed within such *Master Lot*; and

WHEREAS, the Declarant has also made portions of the above referred to Master Lot subject to the  
terms and conditions of the Declaration of Covenants, Conditions and Restrictions for Holly Park  
Townhomes (the "Townhome Declaration") and intends to continue to make other portions of the  
Master Lot subject to the terms and conditions of the Townhome Declaration; and

WHEREAS, the Declarant feels it to be advisable to identify the Lots and other real property  
developed within said *Master Lot* which are subject to the terms and conditions of the Declaration  
as maps of portions of the *Master Lot* are recorded in the Union County Registry;

NOW, THEREFORE, the Declarant does hereby publish and declare that all property more particularly described below are subject to the Declaration and all the terms and conditions thereof, and, further, such land is subject to the jurisdiction of Holly Park Homeowners Association, Inc. (the "Association") and the assessments levied by the Association with respect to each Lot shall initially be \$19.25 per month, as stated in the above referenced Supplementary Declaration. The land within said Master Lot which is made subject to the Declaration are more particularly described as follows:

*BEING all of Lots 1 through 5, Block 1, inclusive, as shown on map of HOLLY PARK, Phase 4, Map 1, recorded in Plat Cabinet H, File No. 748, in the office of the Union County, North Carolina, Public Registry.*

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina, and being more particularly described as follows:

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 7th day of October, 2003.

THE MATHISEN COMPANY

By: *W. Mathisen*  
Vice President

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By: *[Signature]*  
President

BB&T COLLATERAL SERVICE CORPORATION, Trustee

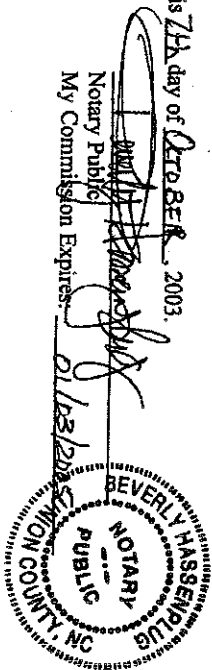
BY: *[Signature]*  
Vice President

STATE OF NORTH CAROLINA  
COUNTY OF Union

PK 3243 PG 611

I, BEVERLY HASSENPLUG a Notary Public certify that N.A. MATHISEN personally came before me this day and acknowledged that he/she is Vice President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 7th day of October, 2003.



STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Sandra L. Hasser a Notary Public certify that Walter Thomas personally came before me this day and acknowledged that he/she is Vice President of BRANCH BANKING AND TRUST COMPANY, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 7 day of October, 2003.

Sandra L. Hasser  
Notary Public  
My Commission Expires: 11/28/2003

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Sandra L. Hasser a Notary Public certify that Walter Thomas personally came before me this day and acknowledged that he/she is Vice President of BB&T COMMERCIAL SERVICE CORPORATION, Trustee, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 7 day of October, 2003.

Sandra L. Hasser  
Notary Public  
My Commission Expires: 11/28/2003

C:\WPDOC\MATHISEN\Notary Public\Supplementary Declaration Pages IV.RP.T12

NORTH CAROLINA-UNION COUNTY  
The foregoing certification is of  
BEVERLY HASSENPLUG  
Notary Public

to be correct. 1 (no) Public

-3- JUDY G. PRICE, REGISTER OF DEEDS  
BY: BEVERLY HASSENPLUG  
AST/DEPT

BK 3381 PG 294

10908

noted and  
Mar 3 11:20 AM  
Mar 3 11:20 AM  
ALY B. PRICE, Register of Deeds  
Union County, North Carolina

Drawn by and mail to:  
Douglas P. MacMillan, Attorney  
6837 Fairview Road, Suite 100  
Charlotte, NC 28210

SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE IV, HOLLY PARK TOWNHOMES

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth by  
THE MATTHESEN COMPANY, hereinafter referred to as "Declarant":

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and  
Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the Union County Public  
Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserved the right to  
annex additional land and make the same subject to the Declaration; and

WHEREAS, pursuant to Section 5.3.3 of the Declaration the Declarant has heretofore  
executed and recorded a Supplementary Declaration in Book 3209, at Page 349 of the Union County  
Registry in which the Declarant added and made subject to the Declaration a *Master Lot* therein  
described and, as permitted under the Declaration, set forth the annual assessments applicable to Lots  
developed within such *Master Lot*; and

WHEREAS, the Declarant has also made portions of the above referred to Master Lot subject to the  
terms and conditions of the Declaration of Covenants, Conditions and Restrictions for Holly Park  
Townhomes (the "Townhome Declaration") and intends to continue to make other portions of the  
Master Lot subject to the terms and conditions of the Townhome Declaration; and

WHEREAS, the Declarant feels it to be advisable to identify the Lots and other real property  
developed within said *Master Lot* which are subject to the terms and conditions of the Declaration  
as maps of portions of the *Master Lot* are recorded in the Union County Registry;

**BEING** all of: Lots 6 through 10, Block 2, inclusive; Lots 11 through 13, Block 3, inclusive; Lots 14 through 16, Block 4, inclusive; Lots 73 through 76, Block 17, inclusive; and Lots 77 through 80, Block 18, inclusive, as shown on map of HOLLY PARK, Phase 4, Map 2, recorded in Plat Cabinet I, File No. S-6, in the office of the Union County, North Carolina, Public Registry.

**THE MATTHESEN COMPANY**

BRANCHBANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BB&T COLLATERAL SERVICE CORPORATION, ~~Tassee~~

2

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, BEVERLY HASSEMPUG, a Notary Public certify that N. A. MATHISEN personally came before me this day and acknowledged that he/she is VICE President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as VICE President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 12 day of MARCH, 2004.



Beverly Hassempug  
Notary Public  
My Commission Expires: 01/03/2005

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Daniel H. Helms, a Notary Public certify that Mark Mathisen personally came before me this day and acknowledged that he/she is Vice President of BRANCH BANKING AND TRUST COMPANY, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 12 day of March, 2004.

Daniel H. Helms  
Notary Public  
My Commission Expires: 12/04/2006

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Daniel H. Helms, a Notary Public certify that Al Beverly personally came before me this day and acknowledged that he/she is Vice President of BB&T COLLATERAL SERVICE CORPORATION, Trustee, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 12 day of March, 2004.

Daniel H. Helms  
Notary Public  
My Commission Expires: 12/04/2006

C:\WPDOC\MATHISEN\Helly Park\Supplementary Declaration Phase IV HP TH3

NORTH CAROLINA-UNION COUNTY  
The foregoing certification(s) of  
NANCY M. HEDGECOCK  
NOTARY PUBLIC

\_\_\_\_\_  
Notary's (ies) Public  
\_\_\_\_\_  
(is) (are) current. &/are certified

-3- JUDY G. PRICE, REGISTER OF DEEDS  
BY MOHAMMAD ALI  
ASSISTANT

BK 3381 PG 297

10909

Filed for record  
Date 3.17.2004  
Time 3:55 of PM  
BY E. PAUL, Register of Deeds  
Harris County, Texas North Carolina

Drawn by and mail to:  
Douglas P. MacWilliam, Atty.,  
6857 Fairview Road, Suite 100  
Charlotte, NC 28210

**SUPPLEMENTARY DECLARATION (DECLARATION OF ANNEXATION)  
OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK TOWNHOMES**

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth by  
THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

**WITNESSETH:**

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and Restrictions for Holly Park Townhomes, and the First Amendment to Declaration of Covenants, Conditions and Restrictions for Holly Park Townhomes, filed for record in Book 3209, at Page 322, and in Book 3243, at Page 603, respectively, of the Union County Public Registry, and hereinafter collectively referred to as the "Declaration"; and

WHEREAS, pursuant to Section 4, Article 4.2 of the Declaration, the Declarant reserves the right to annex additional land and makes the same subject to the Declaration;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the land more particularly described below is made subject to the Declaration and all the terms and conditions thereof, and, further, such land is subject to the jurisdiction of Holly Park Townhomes and the assessments levied by the Association allocable to such additional land. The additional land hereby annexed is more particularly described as follows:

---

BK 3381 PG 298

Located in Vance Township, Union County, North Carolina, and being more particularly described as follows:

*BEING all of: Lots 6 through 10, Block 2, inclusive; Lots 11 through 13, Block 3, inclusive; Lots 14 through 16, Block 4, inclusive; Lots 73 through 76, Block 17, inclusive; and Lots 77 through 80, Block 18, inclusive; as shown on map of HOLLY PARK, Phase 4, Map 2, recorded in Plat Cabinet I., File No. 546, in the office of the Union County, North Carolina, Public Registry.*

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 12<sup>th</sup> day of March, 2004.

(CORPORATE SEAL)

ATTEST:

*John J. M. A.*  
Secretary

THE MATHISEN COMPANY

BY:

*Wes Mathis*  
President

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By:

*Wes Mathis*  
President

BB&T COLLATERAL SERVICE CORPORATION, Trustee

BY:

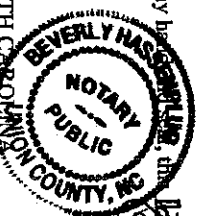
*Wes Mathis*  
President

STATE OF NORTH CAROLINA  
COUNTY OF LYNCH

I, BEVERLY HASSELMUE, a Notary Public certify that N.A. MATHISEN personally came before me this day and acknowledged that he/she is VICE President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as VICE President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand

the day of MARCH, 2004



Notary Public  
My Commission Expires: 02/03/2005

STATE OF NORTH CAROLINA  
COUNTY OF LYNCH

I, Gracie L. Hinson, a Notary Public certify that Mark Mazzoni personally came before me this day and acknowledged that he/she is VICE President of BRANCH BANKING AND TRUST COMPANY, and that he/she, as VICE President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 12 day of MARCH, 2004.

Gracie L. Hinson  
Notary Public  
My Commission Expires: 12/01/2005

STATE OF NORTH CAROLINA  
COUNTY OF LYNCH

I, Gracie L. Hinson, a Notary Public certify that He Wiley personally came before me this day and acknowledged that he/she is VICE President of BH&F COLLATERAL SERVICE CORPORATION, Trustee, and that he/she, as VICE President, being authorized to do so, executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 17 day of MARCH, 2004.

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

Gracie L. Hinson

Gracie L. Hinson Notary Public

Notary Public  
My Commission Expires: 12/01/2005

Notary (his) Public  
I/We certified

3

JUDY G. PRICE, REGISTER OF DEEDS  
BY JUDY G. PRICE  
ASSISTANT



month for lawn and landscape services which the Association ~~has~~ <sup>is to</sup> develop each Lot developed within the Master Lot hereby made subject to the Declaration. As subdivision plats are recorded for developed areas of the Master Lot, Common Areas within said subdivision plats shall be contemporaneously conveyed to the Association. All persons or entities which may become owners of Lots developed within the Master Lot shall pursuant to the terms of the Declaration become members of the Association. The additional land hereby annexed as a Master Lot is more particularly described as follows:

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina, and being more particularly described as follows:

BEGINNING at a point in the center line of Wesley Chapel-Stouts Road (SR 137) at the southwestern corner of the property conveyed to The Mathisen Company (DB 1027, P 96, Union County Registry), said point also being on the southerly boundary line (now or formerly) of the Town of Indian Trail and runs thence with the center line of Wesley Chapel-Stouts Road three (3) courses and distances as follows: (1) S. 28-04-32 W. 29.53 feet; (2) S. 25-35-57 W. 47.38 feet; and (3) S. 23-39-29 W. 27.66 feet to a point; thence from said point in the center line of Wesley Chapel-Stouts Road with the northeasterly line of the property conveyed to Randy H. Aycoth and wife, Tilly W. Aycoth (DB 454, P 164, Union County Registry) N. 47-17-52 W. 389.38 feet to an iron; thence with the line of Randy H. Aycoth and wife, Tilly W. Aycoth (now or formerly) S. 47-46-58 W. 223.49 feet to an iron; thence with the lines of the property conveyed to Hazel H. Aycoth (DB 442, P 137, Union County Registry) and the property conveyed to Brenda G. Hilton (DB 444, P 156, Union County Registry) S. 47-21-59 W. 476.25 feet to a point; thence N. 42-38-01 W. 244.17 feet to a point; thence N. 82-16-57 W. 25.00 feet to a point; thence with the curve of a circle to the left having a radius of 150.00 feet an arc distance of 73.56 feet to a point; thence N. 20-22-44 W. 97.22 feet to a point; thence N. 47-17-53 W. 859.56 feet to a point; thence N. 50-31-36 E. 706.57 feet to a point on the southerly boundary line of the Town of Indian Trail; thence with the boundary line of the Town of Indian Trail (now or formerly) and with the line of The Mathisen Company (DB 1027, P 96, Union County Registry) S. 47-17-52 E. 1586.37 feet to the point and place of BEGINNING.

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 16th day of March, 2004.

THE MATHISEN COMPANY

By:   
Vice President

BRANCH BANKING AND TRUST COMPANY, as holder of ~~an~~ affidavit secured by  
a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry,  
and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of  
Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to  
the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

By: \_\_\_\_\_

President

BB&T COLLATERAL SERVICE  
CORPORATION, Trustee

By: \_\_\_\_\_

President

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Beverly Hasenpflug, a Notary Public certify that  
N. A. Mathisen personally came before me this day and acknowledged that  
he/she is Vice President of THE MATHISEN COMPANY, a North Carolina corporation,  
and that he/she, as Vice President, being authorized to do so, executed the foregoing  
instrument on behalf of the corporation.

Witness my hand and seal, this 11<sup>th</sup> day of March, 2004.

Beverly Hasenpflug  
Notary Public

My Commission Expires: 01/03/2005



STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Dancy H. Helms, a Notary Public certify that  
Mark Marshall personally came before me this day and acknowledged that  
he/she is Vice President of BRANCH BANKING AND TRUST COMPANY, and that  
he/she, as Vice President, being authorized to do so, executed the foregoing instrument  
on behalf of the corporation.

Witness my hand and seal, this 17 day of March, 2004.

Dancy H. Helms  
Notary Public  
My Commission Expires: March 2006

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Dancy H. Helms, a Notary Public certify that  
Mark Marshall personally came before me this day and acknowledged that  
he/she is Vice President of BB&T COLLATERAL SERVICE CORPORATION,  
Trustee, and that he/she, as Vice President, being authorized to do so,  
executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 17 day of March, 2004.

Dancy H. Helms  
Notary Public  
My Commission Expires: March 2006

NORTH CAROLINA-UNION COUNTY  
The foregoing certificate(s) of  
Notary Public  
Dancy H. Helms  
is/are certified  
to be correct.  
JUDY G. PRICE, REGISTER OF DEEDS  
BY Notary Public  
ASSISTANT

56590

Filed for record  
Date 1-26, 2005  
Time 12:16 of clock P m  
Crystal D. Crump, Register of Deeds  
Union County, North Carolina

Drawn by and mail to:  
Douglas P. MacMillan, Atty.  
6857 Fairview Road, Suite 100  
Charlotte, NC 28210

**SUPPLEMENTARY DECLARATION (DECLARATION OF ANNEXATION)  
OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK TOWNHOMES**

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth by  
THE MATHISEN COMPANY, hereinafter referred to as "Declarant",

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and Restrictions for Holly Park Townhomes, and the First Amendment to Declaration of Covenants, Conditions and Restrictions for Holly Park Townhomes, filed for record in Book 3209, at Page 322, and in Book 3243, at Page 603, respectively, of the Union County Public Registry, and hereinafter collectively referred to as the "Declaration", and

WHEREAS, pursuant to Section 4, Article 4.2 of the Declaration, the Declarant reserves the right to annex additional land and makes the same subject to the Declaration;

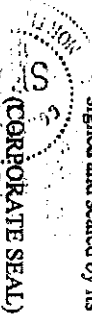
NOW, THEREFORE, the Declarant does hereby publish and declare that all of the land more particularly described below is made subject to the Declaration and all the terms and conditions thereof, and, further, such land is subject to the jurisdiction of Holly Park Townhomes and the assessments levied by the Association allocable to such additional land. The additional land hereby annexed is more particularly described as follows:

BK3670PG0762

Located in Vance Township, Union County, North Carolina, and being more particularly described as follows:

BEING all of Lots 17 through 21, Block 5, inclusive; Lots 22 through 26, Block 6, inclusive; Lots 27 through 31, Block 7, inclusive; Lots 32 through 35, Block 8, inclusive; Lots 36 through 40, Block 9, inclusive; Lots 41 through 44, Block 10, inclusive; Lots 45 through 48, Block 11, inclusive; Lots 49 through 52, Block 12, inclusive; 53 through 57, Block 13, inclusive; 58 through 62, Block 14, inclusive; Lots 63 through 67, Block 15, inclusive; and Lots 68 through 72, Block 16, inclusive; as shown on map of HOLLY PARK, Phase 4, Map 3, recorded in Plat Cabinet F, File Nos. 484, and 485, in the office of the Union County, North Carolina, Public Registry.

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the \_\_\_ day of January, 2005.



THE MATHISEN COMPANY

BY:

W. M. Mathisen  
VICE President

ATTEST:

[Signature]  
Secretary

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 3022, at Page 291 of the Union County Public Registry, and BB&T COLLATERAL SERVICE CORPORATION, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY

BY:

[Signature]  
President

BB&T COLLATERAL SERVICE CORPORATION, Trustee

BY:

[Signature]  
President

BK3670PG0763

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Sherry S. Thomas, a Notary Public certify that M.H. Mathisen personally came before me this day and acknowledged that he/she is Vice President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 17<sup>th</sup> day of January, 2005.

STATE OF NORTH CAROLINA  
COUNTY OF Union

Sherry S. Thomas  
Notary Public  
My Commission Expires: 11-2-2005

I, Sherry S. Thomas, a Notary Public certify that Tom Bauman personally came before me this day and acknowledged that he/she is Vice President of BRANCHBANKING AND TRUST COMPANY, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 17<sup>th</sup> day of January, 2005.

STATE OF NORTH CAROLINA  
COUNTY OF Union

Sherry S. Thomas  
Notary Public  
My Commission Expires: 11-2-2005

I, Sherry S. Thomas, a Notary Public certify that Al Henry personally came before me this day and acknowledged that he/she is Vice President of BB&T COLLATERAL SERVICE CORPORATION, Trustee, and that he/she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of said corporation.

Witness my hand and seal, this 19<sup>th</sup> day of January, 2005.

Sherry S. Thomas  
Notary Public  
My Commission Expires: 11-2-2005

Sherry S. Thomas  
Notary Public  
My Commission Expires: 11-2-2005

CRISTAL D. CHURCH, REGISTER OF DEEDS  
RE: CAROLLO CUMME, ROO

Estimate.  
Mathisen Co

Drawn by and mail to:  
Douglas P. MacCallian, Attorney  
6857 Fairview Road, Suite 100  
Charlotte, NC 28210

Filed for record  
Date 2.15, 2015  
Time 2:41 of the P.M.  
Crystal D. Chung, Register of Deeds  
Union County, Moore, North Carolina

60419

SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE I

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth  
by THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

W I T N E S S E T H:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants,  
Conditions and Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the  
Union County Public Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserves the  
right to annex additional land and make the same subject to the Declaration;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the  
land more particularly described below is made subject to the Declaration and all the terms  
and conditions thereof, and, further, such land is subject to the jurisdiction of Holly Park  
Homeowners Association, Inc. (the "Association") and the assessments levied by the  
Association allocable to such additional land. The additional land hereby annexed is more  
particularly described as follows:

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina,  
and being more particularly described as follows:

BEING all of Lot 22-A as shown on map of HOLLY PARK, PHASE I recorded in Plat Cabinet I, File No. 398 in the office of the Register of Deeds for Union County, North Carolina.

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 14<sup>th</sup> day of February, 2005.

THE MATHISEN COMPANY

By: [Signature] President

STATE OF NORTH CAROLINA  
COUNTY OF Wake

I, Deborah A. Math, a Notary Public, certify that Greg A. Johnson, personally came before me this day and acknowledged that he/she is President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 14<sup>th</sup> day of February, 2005.

[Signature]  
Notary Public  
My Commission Expires: 09-01-09



NOTARY PUBLIC  
Deborah A. Math  
NOTARY PUBLIC  
TO BE CORRECT  
CRISTAL D. CHANDS REGISTER OF DEEDS  
Math  
NOTARY

1645  
0539

BK 1645 PG 539

Drawn by and mail to:  
Douglas P. MacMillan, Attorney  
6857 Fairview Road, Suite 100  
Charlotte, NC 28210

FILED  
2001  
9/14/2001  
4:08 PM  
69300

**SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
HOLLY PARK, PHASE III-A & PHASE III**

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth  
by THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

**WITNESSETH:**

WHEREAS, Declarant has heretofore executed the Declaration of Covenants,  
Conditions and Restrictions for Holly Park, filed for record in Book 1068 at Page 57, of the  
Union County Public Registry, hereinafter referred to as "the Declaration"; and

WHEREAS, pursuant to Section 4.2 of the Declaration, the Declarant reserves the  
right to annex additional land and make the same subject to the Declaration;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the  
land more particularly described below is made subject to the Declaration and all the terms  
and conditions thereof, and, further, such land is subject to the jurisdiction of Holly Park  
Homeowners Association, Inc. (the "Association") and the assessments levied by the  
Association allocable to such additional land. The additional land hereby annexed is more  
particularly described as follows:

Located in the Town of Indian Trail, Vance Township, Union County, North Carolina,  
and being more particularly described as follows:

BEING all of Lots 74-B, Lot 91-B and Lots 95-A through 121-A, inclusive,  
and all common area, including Common Areas designated as Common  
Area #1, Common Area #2, Common Area #3 as shown on map of HOLLY  
PARK, PHASE III, MAP 2 recorded in Plat Cabinet G, File No. 605 in the  
office of the Register of Deeds for Union County, North Carolina.

IN WITNESS WHEREOF, the Declarant has caused this Supplementary  
Declaration to be signed and sealed by its duly authorized officers as its act and deed, this  
the 23<sup>rd</sup> day of August, 2001.

**THE MATHISEN COMPANY**

By: *DG Mathisen*  
President

BRANCH BANKING AND TRUST COMPANY, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 1323, at Page 110 and re-recorded in Book 1348, Page 728, of the Union Public Registry, and ~~JEROME COXMERING~~ as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

**BRANCH BANKING AND TRUST COMPANY**

By:

*[Signature]*

President

*[Signature]*

**JEROME COXMERING**, Trustee

(SEAL)

TOM BAUCOM SUB.

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, Kyle L. Nobles, a Notary Public certify that N. A. Mathisen personally came before me this day and acknowledged that he/she is President of THE MATHISEN COMPANY, a North Carolina corporation, and that he/she, as President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 3rd day of August, 2001.

*Kyle L. Nobles*

Notary Public

My Commission Expires: March 4, 2004

STATE OF NORTH CAROLINA  
COUNTY OF Union

I, SANDRA L. HINSON, a Notary Public certify that AL LYERLY personally came before me this day and acknowledged that he/she is SENIOR VICE President of BRANCH BANKING AND TRUST COMPANY, and that he/she, as SENIOR VICE President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

Witness my hand and seal, this 21 day of August, 2001.

*Sandra L. Hinson*

Notary Public

My Commission Expires: 1/28/2003