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Onslow County, NC
Maryland K. Washington Reg. of Deeds:
BK 3036 PG 190-195

Prepared by: Gordon E. Robinson, Jr., Attorney at Law

NORTH CAROLINA
ONslow COUNTY

**DECLARATION OF
CONDITIONS, RESERVATIONS AND RESTRICTIONS
OF CHERRY GROVE**

THIS DECLARATION, made on the date hereinafter set forth by DELTA ALPHA X-RAY, LLC, SERIES CHERRY GROVE, a Delaware limited liability company (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain property located in Richlands Township, Onslow County, North Carolina, which is more particularly described as follows:

BEING all of Lots 1 through 53, inclusive, as shown on a plat entitled "Cherry Grove", recorded in Map Book 55, Page 78-80, Slide M-432, Onslow County Registry (hereinafter called the Property), and desires to develop therein a residential community together with a common easement for a roadway, and

WHEREAS, the Declarant desires that the Property be developed in an orderly manner for the benefit of all owners of the above described Property, and

WHEREAS, the Declarant has determined this may best be done by imposing on the Property the conditions, reservations and restrictions contained herein, and by creating an association to which will be delegated and assigned the powers of maintaining the common areas within the Property, administering and enforcing the covenants and restrictions, and levying, collecting and disbursing the assessments and charges hereinafter created.

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

ARTICLE I: DEFINITIONS

Section 1. "Association" shall mean and refer to Cherry Grove Homeowners Association, its successors and assigns.

Section 2. "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 and builders, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real Property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the roadway and the lake.

Section 5. "Declarant" shall mean and refer to DELTA ALPHA X-RAY, LLC, SERIES CHERRY GROVE, its successors and assigns if such successors or assigns should acquire more than five undeveloped Lots from the Declarant for the purpose of development.

ARTICLE II: RESIDENTIAL USE

Such Lots, and each and every one thereof, are for residential purposes only and exclusively for the construction of single family residences. Only one (1) residence shall be allowed upon any Lot, together with appurtenant outbuildings. No lot shall be resubdivided.

ARTICLE III: CONSTRUCTION STANDARDS

Only site-built homes will be allowed. No dwelling of any type shall be permitted which has less than 1,200 square feet of heated living space for a one-story dwelling, or less than 600 square feet of heated living space on the ground floor of a two-story dwelling. Garages, decks, terraces, open porches, basements and like areas shall not be included in square footage for the purpose of this Article. All homes shall have a two-car garage.

ARTICLE IV: ROADWAYS, EASEMENTS

Every owner shall have a right of easement for ingress, egress, regress, access, utility and drainage purposes in and over the roadway(s) shown on said recorded plat, and such easement shall be appurtenant to and shall pass with the title to every Lot, whether or not specifically referenced in any deed to any Lot. The land within the easement area for said roadway shall be owned in fee simple by all the Owners. The Declarant further reserves an easement of 15 feet along the front (roadside) property line and 10 feet along the rear property line of each Lot for the purpose of drainage and installation and maintenance of utility lines or services. Nothing which would prevent the adoption of the roadways by the North Carolina Department of Transportation, including permanent structures such as brick mailbox enclosures, may be placed within the roadside easement. Drainage and utility easements for two (2) common septic systems are reserved to the use of the sixteen (16) Lots utilizing the areas designated as "Off-Site Septic Systems", all as shown on the recorded plat.

ARTICLE V: SETBACK LINES

No building, structure, fence, hedge, outbuilding, or appurtenance of any nature shall be located closer to any property line or street right of way than the minimum building lines shown on the recorded plat.

ARTICLE VI: ANIMALS

No animals, livestock or poultry of any kind shall be raised, kept or bred on any Lot, except as follows: dogs, cats or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purposes, and provided they are not allowed to run at large or otherwise become a nuisance to the community. Owners shall be solely and absolutely liable for the acts of any pet kept on their Lot.

ARTICLE VII: UTILITY LINES

All electrical service and telephone lines from the street service to individual structures shall be placed underground and no outside electrical lines shall be placed overhead unless prior written approval is given by the Declarant or the Association. Any waiver of these restrictions shall not constitute a waiver as to other Lots or lines. The Declarant reserves the right to subject the Property to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to said utility company by each Lot Owner for a pro rata share of installation and maintenance expenses. The Declarant shall be entitled to reimbursement from each Lot Owner for any water and/or sewer permits, tap fees or meters which have been obtained at the Declarant's expense.

ARTICLE VIII: NUISANCES

No noxious, offensive or illegal activity shall be carried on or conducted upon any Lot nor shall anything be done on any Lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood. All Lots, whether occupied or unoccupied, shall be well-maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted to remain on a Lot. No automobile, other vehicles or similar items shall be repaired or placed on blocks or stands except in an enclosed garage. Declarant reserves for itself and for the Association the right to enter upon and cut grass, weeds or undergrowth on any Lot or easement, but shall be under no obligation to do so. The Declarant or the Association may contract for, and assess to the Lot owner, any maintenance necessary to enforce this covenant. No Lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding Lots. Except when used during and as a part of construction of a dwelling on the Lot, no trucks or buses (other than pickup trucks of one-ton capacity or less, small vans or small trailers) shall be parked

overnight on any Lot except in an enclosed garage. A pleasure boat on its trailer and recreational vehicles may be parked or stored on a Lot only behind the front face of the dwelling located on the Lot and not nearer than ten (10) feet to any side or rear Lot line. Any motor vehicle parked on any Lot shall have a current license plate, registration and inspection sticker. No elevated tanks of any kind shall be erected, placed, or permitted on any part of the Properties, except as approved by the Declarant. Any tanks for use in connection with any residence constructed on the Properties, including tanks for the storage of fuels, must be buried or walled sufficiently to conceal them from the view from neighboring lots, roads, or streets. All clotheslines, garbage cans, equipment, coolers, wood piles, or storage piles shall be located behind the residence and walled in or fenced to conceal them from the view of neighboring lots, roads, or streets. Plans for all enclosures of this nature must be approved by the Declarant or Association prior to construction.

ARTICLE IX: SIGNS

No billboards or advertising signs of any character shall be erected, placed, permitted, or maintained on any Lot or improvement thereon except "For Sale" or "For Rent" signs. Nothing herein shall be construed to prevent the Declarant from erecting, placing, or maintaining signs, structures and offices as may be deemed necessary by them for the operation of the subdivision.

ARTICLE X: SIGHT DISTANCE AT INTERSECTIONS

No fence, wall, hedge, shrub planting or other item which obstructs sight lines at elevations between two (2) and Four (4) feet in height shall be permitted to remain on any Lot within any sight triangle easement as shown on the recorded plat, nor within ten (10) feet of the intersection of the road right-of-way line with any driveway, and no portion of any tree shall be permitted to remain within such areas unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines.

ARTICLE XI: FENCES

No fences in excess of six (6) feet in height shall be constructed, and only between the front building line and the back lot line.

ARTICLE XII: DRAINAGE

Drainageways shall conform to the requirements of all lawful public authorities, to the full extent of the authority given them by law. Further, Declarant may, at its option, require more restrictive drainageways if the same would promote the best interest of the development.

ARTICLE XIII: FUTURE DEVELOPMENT

The Declarant reserves the right to annex any property now owned or hereafter acquired by the Declarant and adjoining the Property, and to subject such additional property to the restrictive covenants set forth herein, without prior approval or consent of the Lot Owners or Association.

ARTICLE XIV: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every owner of a Lot which is subject to assessment shall be a member of the association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two classes of voting membership.

Class A. Class A members shall be all owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- b. On the fifth anniversary of the conveyance of a Lot or other parcel within the development.

ARTICLE XV: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Purpose of Assessments. The assessments described herein and levied by the Association or Declarant shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the Owners and their Lots, and in particular the maintenance and upkeep of the signs, drainageways, the common septic drainfield areas, and for the cost of labor, equipment, materials, repairs, management and supervision thereof. Costs of septic drainfield maintenance, repairs or capital improvements will be shared equally among the lots served by the septic drainfields.

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

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be **\$50.00** per Lot. There shall be an extra **\$150.00** per year assessment for each of the sixteen (16) Lots utilizing the two (2) common septic drainfield areas.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum annual assessment may be increased each year not more than twenty (20%) percent above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above twenty (20%) percent by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty (50%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and to the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than 60 days following the preceding meeting nor less than five (5) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots (except for the additional assessments for Lots utilizing the common drainfields) and shall be collected on a regular basis. However, notwithstanding this section or any other section contained herein, Declarant shall not be obligated to pay the Uniform Assessment provided the lot is unoccupied and has not been conveyed from the Declarant.

Section 7. Date of Commencement of Annual Assessments: Due Date. The annual assessments provided for herein shall commence as to all Lots on the date of the conveyance of the Lot from Declarant to Owner. The first annual assessment shall be adjusted according to the number of days remaining in the calendar year. The first year's Association dues shall be collected at the time of the purchase from the Declarant. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve (12%) percent per annum or such other rate as the Association may determine. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Should

the Association (or Declarant) find it necessary to employ counsel to enforce any of the foregoing covenants, conditions, reservations or restrictions, all costs incurred in such enforcement, including court costs and a reasonable fee for counsel, shall be paid by the owner of such Lot or Lots against which such enforcement action is taken, and the Association (or Declarant) shall have a lien upon such Lot or Lots to secure payment of such costs.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE XVI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant, or any Owner shall have the right to enforce, by proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions, which shall remain in full force and effect.

Section 3. Document availability. The Association shall have current copies of the Declarations, By-Laws, and other rules concerning the project as well as its own books, records, and financial statements available for inspection by Lot Owners or by holders, insurers and guarantors of first mortgages that are secured by Lots and improvements within the development. These documents shall be available during normal business hours and under other reasonable circumstances. There shall be an annual audited statement prepared each year with copies made available to the Lot Owners, and any holder, insurer or guarantor of any first mortgage that is secured by a Lot within the development.

Section 4. Condemnation, Destruction, or Liquidation. The Association will be deemed to represent the owners in any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Areas and shall have the authority to negotiate, settle, and otherwise make agreements on behalf of all Lot Owners and their mortgage holders. Any and all funds shall be distributed to each of the Lot Owners in equal shares. However, all first mortgage holders shall be given (10) days notice prior to any disbursements to the Lot Owners.

Section 5. Limitation of Ability to Sell and Lease. No Lot Owner's right to sell, convey, transfer or mortgage his Lot shall be restricted.

Section 6. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive period of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot owners. Any amendment must be recorded.

ARTICLE XVII: RESIGNATION OF DECLARANT

The Declarant shall grant and convey all of its rights and privileges under these covenants, conditions, reservations and restrictions to the Association, at such time as the Class A votes of the Lot Owners shall exceed those of the Declarant. Upon such conveyance and grant the Association shall have and shall succeed to all rights and duties with the same powers as if the Association had been named as Declarant herein.

ARTICLE XVIII: STORMWATER RUNOFF

Section 1. The following covenants are intended to insure ongoing compliance with State Stormwater Management Permit No. SW8 070612, as issued by the Division of Water Quality under NCAC 2H.1000.

Section 2. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.

Section 3. These covenants are to run with the land and shall be binding upon all Owners and all persons and parties claiming under them.

Section 4. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.

Section 5. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.

Section 6. The maximum allowable built-upon area (BUA) per Lot is 8,000 square feet per lot. This allotted amount includes any built-upon area constructed within the lot property boundaries,

and that portion of the right-of-way between the front lot line and the edge of the pavement. Built-upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.

Section 7. Filling in or piping of any vegetative conveyances (ditches, swales, etc.) associated with the development, except for average driveway crossings, is strictly prohibited by any persons.

Section 8. Lots within CAMA's Area of Environmental Concern may have the permitted built-upon area reduced due to CAMA jurisdiction within the AEC.

Section 9. Each lot will maintain a 30' wide vegetated buffer between all impervious areas and surface waters.

Section 10. All roof drains shall terminate at least 30' from the mean high water mark of surface waters.

IN WITNESS WHEREOF, the Declarant has caused the due execution of this instrument on this 18th day of MARCH, 2008.

Declarant: **DELTA ALPHA X-RAY, LLC, SERIES CHERRY GROVE**

By: [Signature]
Dave Weisman, Member-Manager

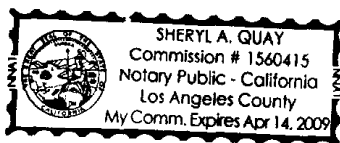
STATE OF: California

COUNTY OF: Los Angeles


I, a Notary Public in and for the aforesaid County and State, hereby certify that Dave Weisman personally appeared before me this day and acknowledged that he is the Member-Manager of DELTA ALPHA X-RAY, LLC, SERIES CHERRY GROVE a Delaware limited liability company, and that by authority duly given and as an act of the company, he has signed the foregoing instrument in its name and on its behalf as its act and deed. Witness my hand and notarial seal, this the 18 day of March, 2008.

[Signature] Notary Public
My Commission Expires: _____

(Notary Stamp/Seal)



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Onslow County, NC
Rebecca L. Pollard Reg. of Deeds
BK 3500 PG 490-497

**DECLARATION OF COVENANTS, CONDITIONS
RESTRICTIONS AND EASEMENTS FOR
CHERRY GROVE, SECTION III (the "Declaration")**

Prepared by and return to:
Gaylor Edwards & Vatcher, P.A.

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

4th **THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS**, made this the
day of November, 2010 by JUNIE C. PIERCE PRAGA, not married, SAMMY HAROLD PIERCE and wife, ANNA
PIERCE, JACKY JARRELL PIERCE and wife, WANDA PIERCE, AND DONNIE DARRELL PIERCE and wife, DONNA
PIERCE, hereinafter called "Declarant" (whether one or more).

WITNESSETH:

THAT WHEREAS, the Declarant is the owner of the real property described in Article I of this Declaration and
is desirous of subjecting said real property to the protective covenants hereinafter set forth, each and all of which is and
are for the benefit of such property and for each owner thereof, and shall inure to the benefit of and pass and run with said
property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest and any owner
thereof; and

NOW, THEREFORE, the Declarant hereby declares that the real property described in Article I hereof, together
with such additional property as may be annexed by the Declarant as hereinafter provided, is and shall be held,
transferred, sold and conveyed subject to the protective covenants set forth below.

**ARTICLE I
SUBJECT PROPERTY**

The real property which is, and shall be held, transferred, sold and conveyed subject to the protective covenants
set forth in the Articles of this Declaration is located in the Township of Richlands, County of Onslow, State of North
Carolina, and is more particularly described as follows:

BEING all of Lots 76, 77, 78, 79, 80, 81, 82, 83 and 84, as shown on a map entitled, "Minor Final Plat Showing
CHERRY GROVE, SECTION III", dated August 31, 2010, prepared by John L. Pierce & Associates, P.A. and
recorded in Map Book 60, Page 184, Slide M-1738, in the Office of the Register of Deeds of Onslow County, North
Carolina, hereinafter referred to as the "Subdivision."

WPDOCS/DOC/RESTCOV/CHERRY GROVE.SEC III

ARTICLE II

DEFINITIONS

Section 1. Declaration shall mean the covenants, conditions, restrictions and easements and all other provisions set forth in this entire document, as may from time to time be modified or amended.

Section 2. Declarant shall mean and refer to JUNIE C. PIERCE PRAGA, SAMMY HAROLD PIERCE and wife, ANNA PIERCE, JACKY JARRELL PIERCE and wife, WANDA PIERCE, AND DONNIE DARRELL PIERCE and wife, DONNA PIERCE, or any successor in title or any successor in interest of Declarant to all of the property then owned by Declarant, or if it is provided in writing by the Declarant that the successor in title or successor in interest is to assume the rights and obligations of Declarant, then to any successor in title or successor in interest to any portion of the real property then subject to this Declaration.

Section 3. Lot shall mean any separately described parcel of land, other than streets, roadways or areas designated as easements, shown on any recorded subdivision map of the Subdivision.

Section 4. Permit shall mean the State of North Carolina Stormwater Management Permit number SW8 100908 as issued and modified by the Division of Water Quality under NCAC 2H.1000, and any subsequent modification thereto or other stormwater management permit hereafter issued for any property annexed to the Subdivision by the Declarant.

ARTICLE III

PURPOSES

No Lot or Lots shall be put to any use other than for residential purposes, except that any Lot, including, but not limited to a Reserved By Owner Lot, which is owned by Declarant may be used by the Declarant for a street or roadway or off-site sanitary sewer disposal system.

ARTICLE III

LAND USE AND BUILDING TYPE

No building shall be used except for residential purposes. No structure shall be erected, placed, altered, or permitted to remain on any such lot other than single family dwellings not to exceed two and one-half stories in height, a private garage which may contain living quarters for occupancy by domestic servants of the lot occupant only, and such other outbuildings as may be reasonably appurtenant to the dwelling, provided that the same are constructed in line with general architectural design and construction standards used as the dwelling itself. No manufactured home or mobile home shall be permitted to be placed on any Lot. This covenant shall not be construed as prohibiting the use of a new single family dwelling as a model home for sales purposes.

ARTICLE IV

DWELLING QUALITY AND SIZE

The ground floor area of the main structure, exclusive of one-story porches and garages, shall be not less than 900 square feet for a one-story dwelling, nor less than 650 square feet for a dwelling of more than one story. All exterior colors of the structure (i.e. exterior walls, window frames, soffit and shingles) and mailbox designs must be approved by the Declarant or its assign prior to construction.

ARTICLE V

BUILDING LOCATION

No building shall be located on any corner lot nearer to the front line or any side street line than as shown on the recorded plat. No building shall be located with respect to interior side lot lines so as to be nearer than 8 feet to either such line. No dwelling shall be located on any interior lot nearer to the front lot line than as shown on the recorded plat nor nearer than 10 feet to the rear lot line, and no garage or other permitted access or building shall be located nearer than 10 feet to the rear lot line. For the purposes of this covenant, eaves, steps, open porches, and carports shall not be considered as 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. An error of not more than 10 percent in the location of a building on the lot with respect to the minimum set back lines shall not be considered a violation of this covenant.

WPDOCS/DOC/RESTCOV/CHERRY GROVE.SEC III

ARTICLE VI
NUISANCES

No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

ARTICLE VII
EASEMENTS

Easements for installation and maintenance of utilities, including sanitary sewer, and drainage facilities, including ditches, are reserved as shown on the recorded plat and over the rear ten feet of each Lot. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority, or utility company is responsible.

The Declarant reserves for itself, its successors and assigns, an easement and right at any time in the future to grant a right of way under, over and along the side, rear and front property lines of each and every Lot in the Subdivision described herein, for the installation and maintenance of poles, lines, conduits, pipes, and other equipment necessary to or useful for furnishing electric power, gas, telephone service, ditches, drainage or other utilities, including water and sewer services.

ARTICLE VIII
LIVESTOCK AND POULTRY

No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for commercial purposes. Any and all pets shall not be allowed on the premises, unless same are under the direct control of the owner at all times and are not creating a nuisance to the other owners within the Subdivision.

ARTICLE IX
BUILDING PLANS AND SPECIFICATIONS

No dwelling or other building shall be erected upon any Lot unless the plans and specification thereof meet or exceed the requirements of "minimum property standards for one and two living units". (FHA. No.300), Federal Housing Administration.

ARTICLE X
ERECTION OF FENCES

Fences, not to exceed six (6) feet in height, may be constructed between the front of the primary dwelling and the back lot line. No fence shall be erected between the front of the primary dwelling and the street right of way, unless such fence shall be of an ornamental nature. Brick and split-rail shall be deemed to meet the requirements of this restriction.

ARTICLE XI
GARBAGE AND REFUSE DISPOSAL

No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

ARTICLE XII
SIGHT DISTANCE AT INTERSECTION

No fences, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded

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property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply upon any lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

ARTICLE XIII

TEMPORARY STRUCTURES

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding temporarily or permanently. No trailer, mobile home, camper or line vehicle shall be parked on any Lot at any time for any purpose nor shall any vehicle be allowed to remain on any Lot at any time for any purposes unless it is parked behind the main dwelling structure or placed inside the carport or garage.

ARTICLE XIV

DRAINAGE

All driveways shall have drainage tile in the street ditches installed and sized in accordance with the N.C. State Highway recommendations.

ARTICLE XV

MISCELLANEOUS RESTRICTIONS

(A) No boat or boat trailer shall be parked in the area between the front of the dwelling situated on any Lot and the street right of way.

(B) No portable basketball goals shall be permitted within the right of way adjacent to any Lot.

(C) No trampoline(s) shall be permitted in the area between the front of the dwelling situated on any Lot and the street right of way.

(D) Pets shall not be restrained by any chains, ropes or other leash type device anchored or fastened to a temporarily or permanently immovable object or structure.

ARTICLE XVI

STORMWATER MANAGEMENT

(A) The following covenants and restrictions set forth in this Article XVI are intended to insure continued compliance with State Stormwater Management Permit Number SW8 100908 as issued by the Division of Water Quality, under NCAC 2H.1000.

(B) The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater Management Permit.

(C) The covenants set forth in this Article XVI pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.

(D) Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division of Water Quality.

(E) The maximum allowable square feet of built-upon area ("BUA") per lot is as shown on Exhibit A, attached hereto, and incorporated by reference. This allotted amount includes any built-upon area constructed within the Lot property boundaries, and that portion of the right-of-way between the front lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina and parking areas, but does not include raised, open wood decking or the water surface of swimming pools.

(F) In case of a Lot within CAMA's regulated Area of Environmental Concern, where the Division of Coastal Management calculates a different maximum allowable built-upon area ("BUA") for any Lot different than that provided above, the governing maximum built-upon area ("BUA") for that Lot shall be the most restrictive of the two.

(G) Filling in or piping of any vegetative conveyances (such as ditches, swales, etc.) associated with the development, except for the minimum amount necessary under driveways to provide access to lots and the minimum amount necessary to direct runoff beneath an impervious surface such as a road, is strictly prohibited by any person.

(H) Each Lot will maintain a fifty (50) foot wide vegetated buffer between all impervious areas and surface waters.

(I) All roof drains shall terminate at least fifty (50) feet from the mean high water mark of surface waters.

(J) Built upon area in excess of the permitted amount requires a state stormwater permit modification prior to construction.

(K) These covenants are to run with the land and be binding on all persons and parties claiming under them.

All permitted runoff from future development of the Subdivision shall be directed into the permitted stormwater control system. These connections to the stormwater control system shall be performed in a manner that maintains the integrity and performance of the stormwater control system as permitted.

Declarant, the State of North Carolina and their respective successors and assigns, reserve and retain the right to go upon any Lot to inspect for the compliance of such Lot with the Permit and to maintain, repair, replace and construct ditches and devices necessary to insure that such Lot is in compliance with the Permit.

ARTICLE XVII

RESERVATION OF EASEMENTS AND RIGHTS BY DECLARANT

Declarant hereby reserves for itself, its successors and assigns, for any purposes it deems useful to its development of the Subdivision, the development of other property now owned, or which may be owned in the future by Declarant, or the development of other property to which Declarant may grant the benefit of such easements, those easements shown on any recorded map of the Subdivision, or subsequently annexed property, and the following additional easements and rights:

A. A perpetual easement for ingress, egress, regress, access, the installation and maintenance of utilities, including sanitary sewer, further subdivision, and the right to dedicate to public use, over, under and upon all streets and ditch, drainage and utility easements shown on any recorded map of the Subdivision or lying within the Subdivision and the water and sewer easements lying within the Subdivision;

B. The right to grant easements for the purposes of ingress, egress, regress, access, the installation, use and maintenance of utilities and further subdivision, over, under and upon (i) all streets shown on any recorded map of the Subdivision and (ii) the ditch, drainage and utility easements and easements for the water and sewer systems located within the Subdivision, to any property outside the Subdivision to which Declarant deems the grant of such easements desirable, whether or not the property to which the easements are granted is owned by Declarant;

C. A perpetual easement over, under and upon all streets and ditch, drainage, utility, including, but not limited to sanitary sewer and access, easements shown on any recorded map of the Subdivision for the purpose of establishing, constructing and maintaining any underground utility, conduits and wires for telephone, electric power and other purposes and of laying, installing and maintaining facilities for sewage, potable and non-potable water, gas, storm drainage and other utilities therein. This reservation shall not be construed as an obligation of Declarant to provide or maintain any such activity or services;

D. A perpetual access easement over, under and upon the Lots to trim, cut and remove any trees and brush necessary for the installation, operation and maintenance of utility lines, gas, water and sewer mains and other services for the convenience of the property owners and appurtenances thereto;

E. A perpetual and exclusive easement for the installation and maintenance of radio and television transmission cables within the rights-of-way easement areas reserved and defined above.

ARTICLE XVIII

OWNER'S MAINTENANCE OBLIGATIONS AND RIGHT OF DECLARANT AND ASSOCIATION TO PERFORM CERTAIN MAINTENANCE.

A. On each Lot, the rights-of-way and easement areas reserved by Declarant or dedicated to public utilities purposes shall be maintained continuously by the Lot owner and no structure, plantings or other material shall be placed or permitted to remain, or other activities undertaken which may damage or interfere with the installation or maintenance of ditches and utilities, or which may change the direction of the flow of water through ditch and drainage channels in the easements, or which damage or interfere with established slope ratios or which create erosion problems. It is provided, however, that where the existing location of an easement, ditch or drainage channel reserved in this Declaration or shown on any recorded map of the Subdivision would hinder the orderly development of the Lot on which the easement is located, the easement, ditch or drainage channel may be relocated by Declarant. Improvements within such areas also shall be maintained by the Lot owner except for those for which a public authority or utility is responsible.

B. In the event the Owner of any Lot shall fail to maintain the Lot, and/or the improvements situated thereon, in a manner in keeping with this Declaration, or any federal, state or local law, ordinance, rule or regulation, in addition to any other rights set forth herein or provided by law, the Declarant shall have the right, but not the obligation, through their agents and employees, to enter upon said Lot, and clear, clean,

WPDOCS/DOC/RESTCOV/CHERRY GROVE.SEC III

repair, maintain and restore the Lot, together with the exterior of any building and any other improvements erected or situated thereon. There is included in the authority herein granted the power to clear Lots of undergrowth, rubbish, debris, weeds or grass. In the event the owner of any Lot shall damage or through negligent failure to act allow damage to occur to any Stormwater Management Facilities located on said owner's Lot or fail to comply with all applicable North Carolina Sedimentation and Erosion Control Permits, in addition to any other rights set forth herein or provided by law, the Declarant, shall have the right, but not the obligation, through their agents and employees, to enter upon said Lot and clear, clean, repair, maintain and restore the Stormwater Management Facilities and to bring the Lot into compliance with the applicable North Carolina Sedimentation and Erosion Control Permits..

The costs of the maintenance or repair authorized by this Article shall be considered the legal obligation of the Lot Owner. The Declarant may maintain an action in court having jurisdiction for such costs, together with all collection costs, including reasonable attorney's fees, and expenses incurred in pursuing such action. The costs shall not constitute a lien on said Lot, unless and until the final judgment of such court to the contrary shall be entered in the office of the Clerk of Court of Onslow County. Any such lien obtained shall be subordinate to any first deed of trust.

ARTICLE XIX

REMEDIES

In the case of failure of a Lot owner to comply with the terms and provisions contained in this Declaration, the following relief shall be available:

a. The Declarant (whether or not the Declarant is the owner of any Lot), any Lot owner and any party to whose benefit this Declaration inures, including but not limited to the State of North Carolina or its assignees with respect to the Permit, may proceed at law and in equity to prevent the violation of any term or provision of this Declaration, and also recover damages for such violation and the court in any such action may award the successful party said party's reasonable expenses and costs in prosecuting such action, including reasonable attorney's fees.

b. The remedies hereby specified are cumulative and this specification of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law, in equity or under any statute. No delay or failure on the part of the Declarant or an aggrieved party to invoke an available remedy with respect to a violation of any of this Declaration shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to that party upon the reoccurrence or continuation of said violation or the occurrence of a different violation.

ARTICLE XX

COMPLIANCE WITH DEPARTMENT OF TRANSPORTATION TRAFFIC MAINTENANCE STANDARDS

Driveway headwalls, fences, mailboxes, newspaper delivery boxes, basketball goals or other roadside obstructions, constructed or placed within the right of way of any street as shown on the recorded plat of the Subdivision in a location or out of materials determined to be a traffic safety hazard by the North Carolina Department of Transportation or the Declarant, shall not be permitted. It shall be the duty of the Owner of any Lot to remove such obstruction, at the Owner's sole expense, within thirty (30) days following written notification of such objection by the North Carolina Department of Transportation or Declarant.

ARTICLE XXI

STREET LIGHTING AGREEMENT

The Declarant reserves the right to subject the real property in this Subdivision to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting, and/or entrance sign lighting, either or all of which may require an initial payment and/or a continuing monthly payment to an electric company by the owner of each dwelling.

ARTICLE XXII

ENFORCEMENT

The Declarant (whether or not the Declarant is the owner of any Lot), any Lot owner and any party to whose benefit this Declaration inures, including but not limited to the State of North Carolina or its assignees with respect to the Stormwater Management Permit, may proceed at law and in equity to prevent the violation or attempted violation of any term, covenant or provision of this Declaration, either to restrain violation or to recover damages for such violation and the court in any such action may award the successful party said party's reasonable expenses and costs in prosecuting such action, including reasonable attorney's fees.

ARTICLE XXIII

MODIFICATION

These restrictions are subject to being altered, modified, canceled or changed at any time as to said Subdivision as a whole, or as to any subdivided lot or part thereof, by written document executed by the Declarant or its successors in title and by the owners of not less than sixty percent (60%) of the subdivided lots in the Subdivision to which these restrictions apply, and recorded in the Office of the Register of Deeds of Onslow County, North Carolina. If the Declarant owns sixty (60%) percent or more of the subdivided lots, the Declarant may alter or amend these covenants without the consent of any other owner.

ARTICLE XXIV

ANNEXATION

The Declarant reserves the right to annex additional property to the Subdivision by recordation of a subdivision map and covenants, conditions and restrictions substantially similar to those set forth in the Declaration.

ARTICLE XXV

PROVISIONS RELATING TO WETLANDS

All areas of the Subdivision, if any, designated 404 Wetlands as shown and delineated on the recorded map of the Subdivision, which have been verified by the US Army Corps of Engineers, shall be maintained in perpetuity in their natural or mitigated condition unless otherwise approved by the US Army Corps of Engineers. The Declarant shall not be liable for any violation of this restriction by any Lot owner or other person.

ARTICLE XXVI

TERM

These Covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these Covenants are recorded, after which such time such Covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said Covenants in whole or in part, with the exception of Article XVI.

ARTICLE XXVII

SEVERABILITY

Invalidation of anyone of these covenants by judgment or Court Order shall in no way affect any of the other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant have hereto set their hands and seals, the day and year first above written.

Junie C. Pierce Praga, by her attorney in fact, Sammy Harold Pierce, by his attorney in fact
Donnie D. Pierce (SEAL) Donnie D. Pierce (SEAL)

Junie C. Pierce Praga, by her attorney in fact, Sammy Harold Pierce, by his attorney in fact,
Donnie D. Pierce Donnie D. Pierce
Jacky Jarrell Pierce, by his attorney in fact, Anna Pierce, by her attorney in fact,
Donnie D. Pierce (SEAL) Donnie D. Pierce (SEAL)
Jacky Jarrell Pierce, by his attorney in fact, Anna Pierce, by her attorney in fact, Donnie D. Pierce

Donnie D. Pierce
Wanda Pierce, by her attorney in fact, Donna Pierce, by her attorney in fact,
Donnie D. Pierce (SEAL) Donnie D. Pierce (SEAL)

Wanda Pierce, by her attorney in fact, Donna Pierce, by her attorney in fact, Donnie D. Pierce
Donnie D. Pierce
Donnie Darrell Pierce (SEAL)
Donnie Darrell Pierce, individually

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purposes stated therein and in the capacity(ies) indicated:

DONNIE DARREL PIERCE, individually, and as attorney-in-fact for JUNIE C. PIERCE PRAGA, SAMMY HAROLD PIERCE, ANNA PIERCE, JACKY JARRELL PIERCE, WANDA PIERCE and DONNA PIERCE (see Book 3391, Page 139, Onslow County Registry for power of attorney)

Date: November 4th, 2010

Jennifer M. Shugart
(Official Signature of Notary)

Jennifer M. Shugart
(Notary's printed or typed name)



Notary Seal Affixed
Verified By [Signature]

(Official Stamp or Seal)

My commission expires: 10/24/2011

Robinson



Doc ID: 009612390009 Type: CRP
Recorded: 03/15/2012 at 12:55:28 PM
Fee Amt: \$26.00 Page 1 of 9
Onslow County, NC
Rebecca L. Pollard Reg. of Deeds

BK 3743 PG 534-542

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Prepared by: Gordon E. Robinson, Jr., Attorney at Law

NORTH CAROLINA
ONSLow COUNTY

DECLARATION OF

CONDITIONS, RESERVATIONS AND RESTRICTIONS

OF CHERRY GROVE, SECTION II

THIS DECLARATION, made on the date hereinafter set forth by JUNIE C. PRAGA, DONNIE D. PIERCE and wife DONNA PIERCE, SAMMY H. PIERCE and wife ANNA PIERCE and JACKY J. PIERCE and wife WANDA PIERCE, hereinafter called "Declarant"; and R & W CONSTRUCTION COMPANY, a North Carolina corporation, and SADALE UTILITIES, LLP, a North Carolina limited liability partnership, hereinafter called "Lienholders".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property located in Richlands Township, Onslow County, North Carolina, which is more particularly described as follows:

BEING all of Lots 54, 55, 56, 59, 60, 73, 74 and 75, as shown on a plat entitled "Final Plat, Planned Residential Development of Cherry Grove, Section II, Lots 54, 55, 56, 59, 60, 73, 74 and 75, prepared for Junie Praga & Others, Richlands Township, Onslow County, NC", recorded in Map Book 63, Page 147, Slide O-180, Onslow County Registry (hereinafter called the Property), and desires to develop therein a residential community together with a common easement for a roadway, and

WHEREAS, the Declarant desires that the Property be developed in an orderly manner for the benefit of all owners of the above described Property, and

WHEREAS, the Declarant has determined this may best be done by imposing on the Property the conditions, reservations and restrictions contained herein, and by creating an association to which will be delegated and assigned the powers of maintaining the common areas within the Property, administering and enforcing the covenants and restrictions, and levying, collecting and disbursing the assessments and charges hereinafter created.

NOW, THEREFORE, the Declarant hereby declares that all of the Property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the Property and be binding on all parties having a right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each

owner thereof. The Lienholders join in this Declaration in order to subordinate their respective lienhold interests in the Property to the following easements, restrictions, covenants and conditions.

ARTICLE I: DEFINITIONS

Section 1. "Association" shall mean and refer to Cherry Grove Section II Homeowners Association, its successors and assigns.

Section 2. "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 and builders, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real Property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the roadway and the lake.

Section 5. "Declarant" shall mean and refer to JUNIE C. PRAGA, DONNIE D. PIERCE, SAMMY H. PIERCE and JACKY J. PIERCE, their successors and assigns if such successors or assigns should acquire more than five undeveloped Lots from the Declarant for the purpose of development.

ARTICLE II: RESIDENTIAL USE

Such Lots, and each and every one thereof, are for residential purposes only and exclusively for the construction of single family residences. Only one (1) residence shall be allowed upon any Lot, together with appurtenant outbuildings. No lot shall be resubdivided.

ARTICLE III: CONSTRUCTION STANDARDS

Only site-built homes will be allowed. No dwelling of any type shall be permitted which has less than 1,000 square feet of heated living space for a one-story dwelling, or less than 600 square feet of heated living space on the ground floor of a two-story dwelling. Garages, decks, terraces, open porches, basements and like areas shall not be included in square footage for the purpose of this Article.

ARTICLE IV: ROADWAYS, EASEMENTS

Every owner shall have a right of easement for ingress, egress, regress, access, utility and drainage purposes in and over the roadway(s) shown on said recorded plat, and such easement shall be appurtenant to and shall pass with the title to every Lot, whether or not specifically referenced in any deed to any Lot. The roadway shown on said plat as "Cherry Ridge Court- 60' R/W" shall be dedicated to public use. The Declarant further reserves, for itself and for the owners of such Lots as will utilize the common septic system(s), a septic system easement of **25 feet** along the front (roadside) property line of each Lot for the purpose of installation and maintenance of utility lines or services. Nothing which would prevent the adoption of the roadways by the North Carolina Department of Transportation, including permanent structures such as brick mailbox enclosures, may be placed within any roadside easement.

ARTICLE V: SETBACK LINES

No building, structure, fence, hedge, outbuilding, or appurtenance of any nature shall be located closer to any property line or street right of way than the minimum building lines shown on the recorded plat.

ARTICLE VI: ANIMALS

No animals, livestock or poultry of any kind shall be raised, kept or bred on any Lot, except as follows: dogs, cats or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purposes, and provided they are not allowed to run at large or otherwise become a nuisance to the community. Owners shall be solely and absolutely liable for the acts of any pet kept on their Lot.

ARTICLE VII: UTILITY LINES

All electrical service and telephone lines from the street service to individual structures shall be placed underground and no outside electrical lines shall be placed overhead unless prior written approval is given by the Declarant or the Association. Any waiver of these restrictions shall not constitute a waiver as to other Lots or lines. The Declarant reserves the right to subject the Property to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to said utility company by each Lot Owner for a pro rata share of installation and maintenance expenses. The Declarant shall be entitled to reimbursement from each Lot Owner for any water and/or sewer permits, tap fees or meters which have been obtained at the Declarant's expense.

ARTICLE VIII: NUISANCES

No noxious, offensive or illegal activity shall be carried on or conducted upon any Lot nor shall anything be done on any Lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood. All Lots, whether occupied or unoccupied, shall be well-maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted to remain on a Lot. No automobile, other vehicles or similar items shall be repaired or placed on blocks or stands except in an enclosed garage. Declarant reserves for itself and for the Association the right to enter upon and cut grass, weeds or undergrowth on any Lot or easement, but shall be under no obligation to do so. The Declarant or the Association may contract for, and assess to the Lot owner, any maintenance necessary to enforce this covenant. No Lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding Lots. Except when used during and as a part of construction of a dwelling on the Lot, no trucks or buses (other than pickup trucks of one-ton capacity or less, small vans or small trailers) shall be parked overnight on any Lot except in an enclosed garage. A pleasure boat on its trailer and recreational vehicles may be parked or stored on a Lot only behind the front face of the dwelling located on the Lot and not nearer than ten (10) feet to any side or rear Lot line. Any motor vehicle parked on any Lot shall have a current license plate, registration and inspection sticker. No elevated tanks of any kind shall be erected, placed, or permitted on any part of the Properties, except as approved by the Declarant. Any tanks for use in connection with any residence constructed on the Properties, including tanks for the storage of fuels, must be buried or walled sufficiently to conceal them from

the view from neighboring lots, roads, or streets. All clotheslines, garbage cans, equipment, coolers, wood piles, or storage piles shall be located behind the residence and walled in or fenced to conceal them from the view of neighboring lots, roads, or streets. Plans for all enclosures of this nature must be approved by the Declarant or Association prior to construction.

ARTICLE IX: SIGNS

No billboards or advertising signs of any character shall be erected, placed, permitted, or maintained on any Lot or improvement thereon except "For Sale" or "For Rent" signs. Nothing herein shall be construed to prevent the Declarant from erecting, placing, or maintaining signs, structures and offices as may be deemed necessary by them for the operation of the subdivision.

ARTICLE X: SIGHT DISTANCE AT INTERSECTIONS

No fence, wall, hedge, shrub planting or other item which obstructs sight lines at elevations between two (2) and Four (4) feet in height shall be permitted to remain on any Lot within any sight triangle easement as shown on the recorded plat, nor within ten (10) feet of the intersection of the road right-of-way line with any driveway, and no portion of any tree shall be permitted to remain within such areas unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines.

ARTICLE XI: FENCES

No fences in excess of six (6) feet in height shall be constructed, and only between the front of the home and the back lot line; no fences shall be allowed between the front of any home and the street right of way.

ARTICLE XII: DRAINAGE

Drainageways shall conform to the requirements of all lawful public authorities, to the full extent of the authority given them by law. Further, Declarant may, at its option, require more restrictive drainageways if the same would promote the best interest of the development.

ARTICLE XIII: FUTURE DEVELOPMENT

The Declarant reserves the right to annex any property now owned or hereafter acquired by the Declarant and adjoining the Property, and to subject such additional property to the restrictive covenants set forth herein, without prior approval or consent of the Lot Owners or Association.

ARTICLE XIV: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every owner of a Lot which is subject to assessment shall be a member of the association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two classes of voting membership.
Class A. Class A members shall be all owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- b. On the fifth anniversary of the conveyance of a Lot or other parcel within the development.

ARTICLE XV: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Purpose of Assessments. The assessments described herein and levied by the Association or Declarant shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the Owners and their Lots, and in particular the maintenance and upkeep of the signs, drainageways, the common septic drainfield areas, and for the cost of labor, equipment, materials, repairs, management and supervision thereof. Costs of septic drainfield maintenance, repairs or capital improvements will be shared equally among the lots served by the septic drainfields.

Section 2. Creation of the Lien and Personal Obligation of Assessments. The purchaser, grantee, or owner of a Lot which has been improved by the construction of a single-family residence is deemed to covenant and agree to pay to the Association: (1) Annual assessments or charges, and (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$100.00 per Lot. There shall be an extra \$250.00 per year assessment for each of the Lots utilizing the common septic drainfield areas.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum annual assessment may be increased each year not more than twenty (20%) percent above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above twenty (20%) percent by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty (50%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and to the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than 60 days following the preceding meeting nor less than five (5) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots (except for the additional assessments for Lots utilizing the common drainfields) and shall be collected on a regular basis. However, notwithstanding this section or any other section contained herein, Declarant shall not be obligated to pay the Uniform Assessment provided the lot is unoccupied and has not been conveyed from the Declarant.

Section 7. Date of Commencement of Annual Assessments: Due Date. The annual assessments provided for herein shall commence as to all Lots on the date of the conveyance of the Lot from Declarant to Owner. The first annual assessment shall be adjusted according to the number of days remaining in the calendar year. The first year's Association dues shall be collected at the time of the purchase from the Declarant. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve (12%) percent per annum or such other rate as the Association may determine. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Should the Association (or Declarant) find it necessary to employ counsel to enforce any of the foregoing covenants, conditions, reservations or restrictions, all costs incurred in such enforcement, including court costs and a reasonable fee for counsel, shall be paid by the owner of such Lot or Lots against which such enforcement action is taken, and the Association (or Declarant) shall have a lien upon such Lot or Lots to secure payment of such costs.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE XVI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant, or any Owner shall have the right to enforce, by proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions, which shall remain in full force and effect.

Section 3. Document availability. The Association shall have current copies of the Declarations, By-Laws, and other rules concerning the project as well as its own books, records, and financial statements available for inspection by Lot Owners or by holders, insurers and guarantors of first mortgages that are secured by Lots and improvements within the development. These documents shall be available during normal business hours and under other reasonable circumstances. There shall be an annual audited statement prepared each year with copies made available to the Lot Owners, and any holder, insurer or guarantor of any first mortgage that is secured by a Lot within the development.

Section 4. Condemnation, Destruction, or Liquidation. The Association will be deemed to represent the owners in any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Areas and shall have the authority to negotiate, settle, and otherwise make agreements on behalf of all Lot Owners and their mortgage holders. Any and all funds shall be distributed to each of the Lot Owners in equal shares. However, all first mortgage holders shall be given (10) days notice prior to any disbursements to the Lot Owners.

Section 5. Limitation of Ability to Sell and Lease. No Lot Owner's right to sell, convey, transfer or mortgage his Lot shall be restricted.

Section 6. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive period of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot owners. Any amendment must be recorded.

ARTICLE XVII: RESIGNATION OF DECLARANT

The Declarant shall grant and convey all of its rights and privileges under these covenants, conditions, reservations and restrictions to the Association, at such time as the Class A votes of the Lot Owners shall exceed those of the Declarant. Upon such conveyance and grant the Association shall have and shall succeed to all rights and duties with the same powers as if the Association had been named as Declarant herein.

ARTICLE XVIII: STORMWATER RUNOFF

Section 1. The following covenants are intended to insure ongoing compliance with State Stormwater Management Permit No. SW8 101113, as issued by the Division of Water Quality under NCAC 2H.1000.

Section 2. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.

Section 3. These covenants are to run with the land and shall be binding upon all Owners and all persons and parties claiming under them.

Section 4. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.

Section 5. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.

Section 6. The maximum allowable built-upon area (BUA) per Lot is 8,788 square feet per lot. This allotted amount includes any built-upon area constructed within the lot property boundaries,

and that portion of the right-of-way between the front lot line and the edge of the pavement. Built-upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.

Section 7. Filling in or piping of any vegetative conveyances (ditches, swales, etc.) associated with the development, except for average driveway crossings, is strictly prohibited by any persons.

Section 8. Each lot will maintain a minimum 50 foot wide vegetated buffer adjacent to impounded structures, rivers and streams, and tidal waters.

Section 9. All roof drains shall terminate at least 50 feet from the normal pool of impounded structures, the bank of each side of rivers and streams, and the mean high water line of tidal waters.

IN WITNESS WHEREOF, the Declarant and the Lienholders have caused the due execution of this instrument on this 2nd day of March, 2012, for the purposes and intents herein set forth.

Junie C. Praga By Donnie D. Pierce att. in fact (SEAL)
JUNIE C. PRAGA by Donnie D. Pierce, Attorney in Fact

Donnie D. Pierce (SEAL)
DONNIE D. PIERCE

Donna Pierce By Donnie D. Pierce att. in fact (SEAL)
DONNA PIERCE by Donnie D. Pierce, Attorney in Fact

Sammy H. Pierce By Donnie D. Pierce att. in fact (SEAL)
SAMMY H. PIERCE by Donnie D. Pierce, Attorney in Fact

Anna Pierce By Donnie D. Pierce att. in fact (SEAL)
ANNA PIERCE by Donnie D. Pierce, Attorney in Fact

Jacky J. Pierce By Donnie D. Pierce att. in fact (SEAL)
JACKY J. PIERCE by Donnie D. Pierce, Attorney in Fact

Wanda Pierce By Donnie D. Pierce att. in fact (SEAL)
WANDA PIERCE by Donnie D. Pierce, Attorney in Fact

NORTH CAROLINA
ONslow COUNTY

I, J. Dewey Edwards, Jr., a Notary Public in and for the aforesaid County and State, hereby certify that DONNIE D. PIERCE, individually and as attorney in fact for JUNIE C. PRAGA, DONNA PIERCE, SAMMY H. PIERCE, ANNA PIERCE, JACKY J. PIERCE and WANDA PIERCE, personally appeared before me this day and, being duly sworn, says that he executed the foregoing instrument for and on behalf of himself and JUNIE C. PRAGA, DONNA PIERCE, SAMMY H. PIERCE, ANNA PIERCE, JACKY J. PIERCE and WANDA PIERCE, and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged and recorded in Book 3391, Page 139, Onslow County Registry, on the 22nd day of April, 2010, and that this instrument was executed under and by virtue of the authority given by said instrument granting DONNIE D. PIERCE power of attorney. Witness my hand and notarial seal, this the 2nd day of March, 2012.

J. Dewey Edwards, Jr.; Notary Public
My Commission Expires: July 9, 2016



Lienholder: R & W CONSTRUCTION, INC.

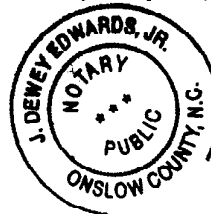
By: L. Wayne Pierce
Title:

NORTH CAROLINA
ONslow COUNTY

I, J. Dewey Edwards, Jr., a Notary Public in and for the aforesaid County and State, hereby certify that L. Wayne Pierce personally appeared before me this day and acknowledged that he is the President of R & W CONSTRUCTION, INC. a North Carolina corporation, and that by authority duly given and as an act of the corporation, he has signed the foregoing instrument in its name and on its behalf as its act and deed. Witness my hand and notarial seal, this the 6th day of March, 2012.

J. Dewey Edwards, Jr. Notary Public
My Commission Expires: July 9, 2016

(Notary Stamp/Seal)



Lienholder: SADALE UTILITIES, LLP

By: Donnie D. Pierce
Title: Partner

NORTH CAROLINA
ONslow COUNTY

I, J. Dewey Edwards, Jr., a Notary Public in and for the aforesaid County and State, hereby certify that Donnie D. Pierce personally appeared before me this day and acknowledged that he is the Partner of SADALE UTILITIES, LLP, a North Carolina limited liability partnership, and that by authority duly given and as an act of the partnership, he has signed the foregoing instrument in its name and on its behalf as its act and deed. Witness my hand and notarial seal, this the 6th day of March, 2012.

J. Dewey Edwards, Jr. Notary Public
My Commission Expires: July 9, 2016

(Notary Stamp/Seal)

