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Onslow County, NC
Rebecca L. Pollard Reg. of Deeds
BK 3655 PG 237-257

Prepared by and return to:

Dan Rizzo, Attorney at Law

STATE OF NORTH CAROLINA

**MASTER DECLARATION OF RESTRICTIVE AND
PROTECTIVE COVENANTS FOR BUCKHAVEN SECTION I**

COUNTY OF ONSLOW

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS, is made
this the 23rd day of September, 2011 by PIERCE DEVELOPMENT, LLC a North Carolina Limited
Liability Company, hereinafter called "Declarant",

W I T N E S S E T H:

WHEREAS, Declarant is the owner of a certain tract of land situated in Jacksonville Township,
Onslow County, North Carolina, being more particularly described on Exhibit A, being hereinafter
referred to as Buckhaven Section I; and

WHEREAS, Declarant is constructing a residential subdivision with single family dwellings,
hereinafter referred to as the Project; and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the property
values and to provide for the maintenance of certain improvements located thereon, and to this end
desires to subject the Project property to the covenants, restrictions, easements, charges and liens as are
hereinafter set forth, each and all of which are for the benefit of said real property and each present and
future owner thereof;

WHEREAS, Declarant desires to provide and allow for the annexation of additional Sections to
the Project as said Sections are developed and completed, and to provide for equality of rights, privileges
and obligations of all lot owners in all sections of the Project by adding and annexing such sections to the
Project by recordation of Supplemental Declarations to this Declaration.

DECLARATION:

ARTICLE I

PROJECT PROPERTY

NOW, THEREFORE, it is hereby declared that the Project property described herein is, and shall be, held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth; said Project property being more particularly described as follows:

BEING ALL OF THOSE LOTS SET OUT IN EXHIBIT "A"

ARTICLE II

DEFINITIONS

Section 1. **Association** shall mean and refer to BUCKHAVEN HOA, INC.,, its successors or assigns.

Section 2. **Board** shall mean and refer to the Board of Directors of the Association.

Section 3 **Common Expenses** shall mean and refer to :

- a. the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Articles of Incorporation of the Association and its By-Laws;
- b. all amounts expended by the Association in accordance with Article XVII in holding and being responsible for the obligations of the Stormwater Management Permit SW8-101111 overseeing, supervising, administering, managing, repairing, replacing and insuring all Stormwater Management Facilities located within the Property as required by this Declaration and all amounts expended in enforcing the provisions of the Permit;
- c. all amounts expended by the Association for the maintenance, repair and replacement of any sign, fence or other improvements, including the landscaping thereof, within any Sign Easement, or Fence Easement, both of which are hereinafter defined, and any expenditures required to maintain compliance with the North Carolina Erosion and Sedimentation Control Permit for the Property.

Section 4. **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 5. Declarant shall mean and refer to PIERCE DEVELOPMENT, LLC, a North Carolina Limited Liability Company, or any successor in title or any successor in interest of PIERCE DEVELOPMENT, LLC or all of the Property then owned by PIERCE DEVELOPMENT, LLC 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 Property then subject to this Declaration.

Section 6. 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 Property.

Section 7. Permit shall mean the State of North Carolina Stormwater Management Permit number SW8-101111 issued 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.

Section 8. Property or Properties shall mean and refer to any real property which is, or may be, subject to this Declaration, or any Supplemental Declaration.

Section 9. Sign Easement shall mean any area of the Property designated as "Sign Easement" on the plat of the Property, recorded in Map Book 62, Page 189, in the Office of the Register of Deeds of Onslow County, North Carolina or any other recorded subdivision map of any portion of the Properties.

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. 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 1,000 square feet for a one-story dwelling, nor less than 700 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 nor nearer than 15 feet to the rear lot line. 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 15 feet to the rear lot line. No garage or other permitted accessory building shall be located nearer than 15 feet to any 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 ten percent (10.0%) 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.

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, but not limited to septic system facilities, and drainage facilities 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, drainage or other utilities, including water and sanitary sewer or storm water sewer services.

ARTICLE VIII

ANIMALS, 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 customary household pets may be kept provided that they are not kept, bred or maintained for commercial purposes. Owners shall be obligated to construct fences in compliance with the fence requirements set forth in Article X, infra, or invisible fencing, to insure pets remain confined on the owner=s lot. Pets shall not be restrained on lots by any chains, ropes or other leash type device anchored or fastened to a temporarily or permanently immovable object or structure. Any and all pets shall not be allowed off the owner=s lot, unless same are leashed, under the direct physical 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 five (5) feet in height, constructed of wood or vinyl materials may be constructed between the front of the primary dwelling and the rear lot line. No chain link fences shall be permitted. 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. Fencing traversing a Lot shall be parallel to the front lot line. **Provided, however, that with respect to corner lots, no fencing shall be erected or maintained without the prior written approval of the Declarant, its successor or assign.**

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 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, or camper shall be parked on any lot at any time for any purpose, nor shall any recreational 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 trampoline(s) or other large recreational equipment or devices shall be permitted in the area between the front of the dwelling situated on any lot and the street right of way.
- (C) No portable basketball goals shall be permitted on any lot or within the right of way adjacent to such lot.
- (D) Each Lot Owner shall be responsible for repairing, and restoring to its original condition, the non-paved portion of the street right of way adjacent to any Lot damaged by the parking of the owners, their family members or guests motor vehicles in that area.

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 SW8-101111 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 built-upon area (BUA) for lots in Section I are set out in Exhibit "B". 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 for that Lot than as shown herein, the governing maximum built-upon area for that Lot shall be the most restrictive of the two amounts.

(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 adjacent to impounded structures, rivers and streams and tidal waters.

(I) All roof drains shall terminate at least fifty (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.

(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.

(L) Placement of dredged or fill material, or development within the waters of the United States and/or wetlands without a Department of the Army permit may constitute a violation of Section 301 of the Clean Water Act. This activity also requires notification to the Division of Water Quality, Stormwater and Wetlands Sections.

All permitted runoff from future development of the Property 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 Association, 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 Property, 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 subdivision map of the Property, 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, further subdivision, and the right to dedicate to public use, over, under and upon all streets and drainage and utility easements shown on any recorded map of the Property 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 Property and (ii) the drainage and utility easements and easements for the water and sanitary sewer systems located within the Property, to any property outside the Subdivision and Property 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 drainage and utility easements shown on any recorded subdivision map of the Property 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 and easement areas reserved and defined above.

F. A perpetual easement for the erection, maintenance, repair and replacement of a sign or signs within any Sign Easement and a fence or fences within any Fence Easement as shown on the recorded map of the Property.

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, except for any Sign Easement or Fence Easement area, or dedicated to public utilities purposes shall be maintained continuously by the Lot owner. 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 utilities, or which may change the direction of the flow of water through 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 or drainage channel reserved in this Declaration or shown on any recorded subdivision map of the Property would hinder the orderly development of the Lot on which the easement is located, the easement 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, in addition to any other rights set forth herein or provided by law, the Declarant and the Association 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 Lot, the exterior of any building and any other improvements erected 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 septic system easement area, or 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, and the Association 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 septic system easement area, and Stormwater Management Facilities, and to bring the Lot into compliance with the applicable North Carolina Sedimentation and Erosion Control Permits. There is included in the authority herein granted the power to clear Lots of undergrowth, rubbish, debris, weeds or grass.

The costs of the maintenance or repair authorized by this Article shall be considered the legal obligation of the Lot owner. The Declarant, or the Association, as applicable, 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 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

BUCKHAVEN HOA, INC.

A. The BUCKHAVEN HOA, INC. (the "Association") has been or will be formed at the direction of the Declarant pursuant to the rules and requirements of the Nonprofit Association Act (Chapter 55A) of the General Statutes of North Carolina as an association of the owners of the Lots. Its purposes are to: (1) oversee, inspect, maintain, repair and replace the Stormwater Management Facilities constructed pursuant to the Permit; (2) enforce the provisions of the Permit; (3) enforce each Lot owner's obligations with respect to the Stormwater Management Facilities pursuant to this Declaration; (4) enforce each Lot owner's obligations with respect to all applicable North Carolina Sedimentation and Erosion Control Permits; said authority to be exercised, if and only if, and when and only when, Declarant transfers the Permit to the Association; (5) inspect, maintain, repair and replace any improvements constructed or located upon or under the septic system easements; (6) inspect, maintain, repair and replace signs and landscaping located within any Sign Easement; (7) inspect, maintain, repair and replace fences located within any Fence Easement. The Association shall have no authority with respect to the Lots located in the Subdivision until such time as Declarant transfers such rights to the Association.

B. The Declarant shall have the right, but not the obligation, to annex into the Subdivision additional property now, or in the future, owned by Declarant. From and after the date of such annexation, the annexed Lots shall be subject to the jurisdiction of the Association and the owners of the annexed Lots shall be members of the Association.

C. Each owner of each Lot within the Subdivision shall be a member of the Association. The Declarant, by this Declaration, and the owners of each individual Lot , by their acceptance of a deed thereto, covenant and agree with respect to the Association:

- (1) that for so long as each is an owner of a Lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Association; and

(2) that any unpaid assessment, whether general or special, levied by the Association in

accordance with this Declaration, the Articles of Incorporation (herein called the "Articles") or the Bylaws of the Association (herein called the "Bylaws") shall be a lien upon the Lot upon which such assessment was levied and also shall be the personal obligation of the person who was the owner of the Lot at the time the assessment fell due.

D. Each membership in the Association shall relate to and have a unity of interest with an individual Lot which may not be separated from the ownership of said Lot. The books and all supporting documentation, the Declaration, the Articles, the Bylaws, and all amendments thereto shall be available for examination by all Lot owners, and their lenders or their lenders' agents during normal business hours at the principal office of the Association.

E. The Association shall have one (1) class of members. The members shall be all the owners of a Lot, and they shall be entitled to one vote for each Lot owned; provided, however, when more than one person holds an interest in any Lot, all such persons shall be members; however, the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote or any fraction of a vote be cast with respect to any Lot.

F. The Declarant shall, at its sole cost and expense, initially construct all Stormwater Management Facilities required to be located upon the Lots and Property or upon any property annexed into the Subdivision by the Declarant to the standards required by the applicable Permit. Upon completion of the construction of said Stormwater Management Facilities located in the Subdivision, the Declarant shall transfer the applicable Permit to the Association and the Association shall accept the transfer of the applicable Permit from the Declarant upon the earlier to occur of (i) the date the North Carolina Department of Environment and Natural Resources allows such transfer to occur; or, (ii) the date upon which at least fifty percent (50%) of the Lots in the Subdivision are conveyed to owners, other than Declarant. Prior to any such transfer, the Stormwater Management Facilities for the Subdivision, including any property annexed by Declarant into the Subdivision, shall be certified, either by state inspection or by a licensed engineer, as being in compliance with the applicable Permit prior to such assignment or transfer. The Association shall indemnify and hold Declarant harmless from any loss, cost, claim, fee, fine, suit, damage or expense, including reasonable attorneys' fees, incurred by Declarant in the defense of any action against Declarant as the holder of the Permit occurring after Declarant tenders transfer of the Permit to the Association following the approval of such transfer by the North Carolina Department of Environment and Natural Resources and the certification of compliance as set forth above. Further, Declarant may bring an action for specific performance of the obligations of the Association pursuant to this paragraph. From and after the transfer of the Permit from the Declarant following the approval of the North Carolina Department of Environment and Natural Resources, the oversight, supervision, management and administration of the Permit shall be the sole responsibility of the Association. The Association's duties with regard to the Permit shall be carried out in accordance with the terms and conditions of this Declaration, the Articles, the Bylaws and the Permit. The Association hereby is granted and conveyed an easement over, under and upon each Lot and future lots in the Subdivision for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each Lot and future subdivided lot. In the event, the Declarant annexes additional property into the Subdivision and transfers the applicable Permit to the Association, the Association shall have, and hereby is granted and conveyed, an easement over, under and upon

each annexed Lot for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each annexed lot.

G. The expenses of the Association shall include:

(1) All amounts expended by the Association in holding and being responsible for the obligations of the Permit and overseeing, supervising, administering, managing, repairing, replacing and insuring all Stormwater Management Facilities and Sedimentation and Erosion Control facilities located within the Subdivision as required by this Declaration; all amounts expended by the Association in enforcing the provisions of this Declaration, as may be amended; all amounts expended by the Association in the performance of its duties hereunder from and after the time Declarant transfers the Permit; and all amounts expended by the Association in legal, engineering or architectural fees and all similar fees which may be incurred by the Association from time to time in performing the functions delegated to the Association by this Declaration.

(2) All amounts expended by the Association in carrying out any duty or obligation as may be required or allowed by this Declaration, the Articles or the Bylaws.

(3) All amounts expended by the Association in operating, administering, managing, repairing, replacing, improving, paying all taxes imposed on and insuring the improvements, including landscaping, situated in the Sign Easement.

(4) All amounts expended by the Association in repairing, replacing, and improving the force main/supply lines of any wastewater treatment systems and/or sanitary sewer (septic system) easements dedicated for such purpose.

H. Each owner of any Lot by acceptance of a deed for the same (whether or not it shall be so expressed in such deed) is deemed to covenant and agree, to pay to the Association annual general assessments or charges as hereinafter provided. The annual general assessments, and annual limited common assessments, together with interest, costs and reasonable attorneys' fees, shall be a separate charge and lien on the land and, subject to the limitations set forth herein, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a Lot, unless expressly assumed by them, but, subject to the provisions of this Declaration, delinquent assessments shall continue to be a lien upon such Lot.

(i) The annual general assessment shall be Two Hundred Fifty Dollars (\$250.00) per Lot.

(ii) From and after January 1, 2012, the annual general assessment and annual limited common assessment may be increased upon the vote of a majority of the Board of Directors of the Association by no more than fifteen percent (15%) of the annual general assessment, or annual limited common assessment, for the preceding year.

(iii) Any increase of the annual general assessment, or any increase in the annual limited common assessment, exceeding fifteen percent (15%) of such assessment for the preceding year must be

approved by the owners of at least two-thirds (2/3) of the Lots subject to such assessment, who are voting in person or by proxy at a meeting called for this purpose.

(iv) Once the annual general assessment has been set, notice of the annual general assessment shall be given to all Lot owners. It is provided, however, that no owner is relieved from the obligation to pay the assessment because of failure to give such notice. After the initial notice of the assessment, no bills for such assessment will be forwarded to any owner, but such assessment thereafter shall become due and payable as provided by the Board of Directors.

(v) As provided in the Bylaws, and subject to the restrictions and limitations provided herein, the Board of Directors shall establish an Annual Budget in advance for each fiscal year. Such budget shall project all expenses for the forthcoming fiscal year which may be required for the proper operation, management and maintenance of the Stormwater Management Facilities, the North Carolina Sedimentation and Erosion Control Permits, the AEntrance Signs@ situated in any Sign Easement, any fence situated in any Fence Easement, the operation, management and maintenance of the improvements and facilities situated upon or under the sanitary sewer (septic system) easements, and the Association, including a reasonable allowance for contingencies and reserves. The budget shall take into account any projected or anticipated income. Upon adoption of such Annual Budget by the Board of Directors, copies of the Budget shall be delivered to each owner together with a statement of the applicable assessment(s) for each Lot as provided herein, based upon such budget; however, the non-delivery of a copy of said Budget shall not affect the liability of any owner for such assessment(s). The Annual Budget for the annual general assessment shall be divided by the number of Lots subject to the annual general assessments at the time of the annual meeting of the members and the quotient shall be the annual general assessment per Lot for the succeeding fiscal year. The Annual Budget for the annual limited common assessment shall be divided by the number of Lots subject to the annual limited common assessments at the time of the annual meeting of the members and the quotient shall be the annual limited common assessment per Lot for the succeeding fiscal year.

(vi) All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the Association to the payment of any expense of operating and managing the Association or the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles and the Bylaws. As monies for any assessment are paid into the Association by any owner, the same may be commingled with monies paid to the Association by the other owners. Although all funds and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer said owner's membership interest therein, except as an appurtenance of said owner's Lot. When the owner of a Lot shall cease to be a member of the Association by reason of said owner's divestment of ownership of such Lot, by whatever means, the Association shall not be required to account to such owner for any share of the fund or assets of the Association, including any monies which said owner may have paid to the Association, as all monies which any owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Association.

(vii) Written notice of any meeting called for the purpose of taking any action requiring a meeting shall be sent to all members not less than thirty (30) days, or more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast thirty percent (30%) of the votes of all members shall constitute a quorum. If the required quorum is not

present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

I. Annual general assessments and special assessments shall, except as otherwise provided herein, be fixed at a uniform rate for all Lots. Annual limited common assessment, or any special limited common assessment, for the maintenance, repair, restoration and replacement of the force mains/supply lines within the sanitary sewer (septic system) and access easements shall be fixed at a uniform rate for Lots 1, 2, 3, 4, and 68 in the Subdivision, but shall not be assessed against the other Lots in the Subdivision.

J. The annual general assessments and annual limited common assessments provided for herein shall commence as to each Lot, other than any Lot owned by the Declarant upon which no residential dwelling has been constructed, on the date of recordation of the deed for such Lot in the Office of the Register of Deeds of Onslow County and shall be prorated on a calendar year basis through the date of such recordation. The annual general assessments and annual limited common assessments shall be assessed for each calendar year thereafter and shall be payable annually, or more frequently, with the due date for such payments and payment frequency, being as established by the Board of Directors.

K. The annual general assessment levied by the Association shall be used exclusively to oversee, inspect, maintain and repair the Stormwater Management Facilities and Sign Easement areas; to pay any expenses for maintenance and repair of improvements situated upon or under the sanitary sewer (septic system) and access easements for which there are insufficient funds available from the limited common assessment funds as required by the Septic System Agreement and Exclusive Easements Agreement for this Subdivision of record in the Onslow County Registry, to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permit; to pay the expenses of the Association from and after the time, if ever, Declarant transfers the Permit to the Association. The Association's functions shall be to oversee, inspect, maintain and repair the Stormwater Management Facilities, Sign Easement and Fence Easement areas, sanitary sewer (septic system) and access easement areas; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permits, and operation and use of facilities and improvements situated in the sanitary sewer (septic system) and access easement areas. The powers of the Association may not be expanded beyond those purposes. Nothing herein relieves the owner of a Lot from said owner's obligation to maintain the areas upon said owner's Lot upon which the Stormwater Management Facilities and sanitary sewer (septic system) and access easements are located as provided herein and not to damage or allow damage to occur to said Stormwater Management Facilities or sanitary sewer (septic system) and access easement areas, and to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits.

L. 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.

M. General special assessments, limited common assessments and specific special assessments may be levied against Lots for such reasons as are provided in this Declaration, the Articles or the Bylaws, and on such terms as provided by the directors and the members. Upon a two-thirds (2/3) vote of the Directors and a two-thirds (2/3) vote of the owners of Lots who are voting in person or by proxy at a

meeting duly called for this purpose, the Association may levy and impose special assessments. The purposes for which special assessments may be levied are limited to providing funds to pay for the oversight, inspection, maintenance and repair of the sanitary sewer (septic system) and access easements, and improvements thereon, Stormwater Management Facilities and Sign Easement areas, to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit and all applicable North Carolina Sedimentation and Erosion Control Permits, maintenance of the sanitary sewer (septic system) and access easements, Sign Easement and Fence Easement areas which exceed the general assessment funds, and limited common assessment funds, then on hand to pay same and to provide a contingency fund for capital improvements and extraordinary expenses. General special assessments and limited common assessments shall be levied at a uniform rate for all Lots to which such assessments may be charged as set forth in this Declaration. Specific special assessments may be assessed against the owner of a Lot after written notice has been given by the Association to the owner of said Lot at the address of the owner appearing upon the records of the Association by United States mail, postage prepaid, that the Stormwater Management Facilities located on said Lot have been damaged by the act or negligent failure to act of said owner or that said owner has failed to comply with all applicable North Carolina Sedimentation and Erosion Control Permits or failed to maintain or repair the portion of the sanitary sewer (septic system) and access easement area on such owner's Lot and that, as a result, such Stormwater Management Facilities are in need of repair or replacement in order to comply with the Permit or actions must be taken in order to comply with the applicable North Carolina Sedimentation and Erosion Control Permits and the owner of said Lot has not taken the necessary action to bring the Stormwater Management Facilities located on said owner's Lot into compliance with the Permit or to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits within thirty (30) days after the mailing of said notice. If said owner commences the necessary action to repair or replace the Stormwater Management Facilities located on said owner's Lot and to bring the Stormwater Management Facilities into compliance with the Permit or to bring the Lot into compliance with the applicable North Carolina Sedimentation and Erosion Control Permits, or repair the affected portion of the sanitary sewer (septic system) and access easement area, within the thirty (30) day period set forth above, the imposition of a specific special assessment shall be deferred by the Association for the period during which said owner diligently pursues to completion the repair or replacement of the Stormwater Management Facilities located on said Lot or compliance with the applicable North Carolina Sedimentation and Erosion Control Permits, or repair of the sanitary sewer (septic system) and access easement area. Specific special assessments shall be limited to the amount of funds actually expended, or in the discretion of the Board of Directors, the amount of funds reasonably estimated by the Board of Directors will be expended, by the Association to repair or replace the Stormwater Management Facilities located upon the Lot or to comply with the applicable North Carolina Sedimentation and Erosion Control Permit applicable to the Lot or repair the affected portion of the sanitary sewer (septic system) and access easement area on the applicable Lot, upon which the specific special assessment is assessed. Special assessments, either general or specific, and limited common assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions set forth in this Declaration, shall be a continuing lien upon the Lot against which each such assessment is made. The personal obligation of an owner of a Lot for delinquent special assessments, whether general or specific, or limited common assessment, shall not pass to a successor in title to a Lot, unless expressly assumed by the successor, but, subject to the provisions of this Declaration, delinquent special assessments shall continue to be a lien upon such Lot.

N. Any annual general assessment, general special assessment, annual limited common assessment, or specific special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest at the rate of ten percent (10%) per annum, costs of collection, court costs, and reasonable attorneys' fees shall constitute a lien against the Lot upon which such assessment is levied.

The Association may record notice of the same in the Office of the Clerk of Superior Court of Onslow County or file a suit to collect such delinquent assessments and charges. The Association may file Notice of Lis Pendens, bring an action at law against the owner personally obligated to pay the same and/or bring an action to foreclose the lien against the Property. The lien of any assessment 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 foreclosure of a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessment 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. No owner may waive or otherwise escape liability for the assessments provided for herein.

O. In the event the Articles of Incorporation and/or Bylaws of the Association are amended to expand the rights and duties of the Association, those amendments shall have no effect on the Lots or the Subdivision unless, by recorded amendment to this Declaration, joined in by Declarant.

ARTICLE XX

WETLANDS

It shall be the responsibility of each Owner, prior to alteration of any Lot, to determine if any portion of the Lot shall have been determined to meet the requirements for designation as regulatory "wetlands". Any subsequent fill or alteration of the "wetlands" shall conform to the requirements of the wetlands rules adopted by the State of North Carolina and in force at the time of the proposed alteration. The intent of this restriction is to prevent additional fill or alteration of designated "wetlands", so the property Owner should not assume that a future application for fill or alteration will be approved. The property Owner shall report the name of the subdivision in any application pertaining to "wetlands" rules. These covenants and restrictions are intended to insure the continued compliance with "wetlands" rules adopted by the State of North Carolina, therefore compliance may be enforced by the State of North Carolina or authorized agency or department thereof.

ARTICLE XXI

REMEDIES

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

A. The Declarant (whether or not the Declarant is the owner of any Lot), the Association, 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, the Articles and Bylaws 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 Association, the Declarant or an aggrieved party to invoke an available remedy with respect to a violation of any of this Declaration, the Articles and Bylaws 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 XXII

COMPLIANCE WITH DEPARTMENT OF TRANSPORTATION TRAFFIC MAINTENANCE STANDARDS

Driveway head walls, 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. In the event any Owner fails, or refuses, to remove such obstruction or obstructions within the thirty (30) day period following written notification thereof, the Declarant or the Association shall have the right, but not the duty, to remove the obstruction or obstructions and to charge the Owner the costs thereof which shall be a lien against the Owner=s Lot and may be enforced in the same manner as provided in Article XIX (N), above.

ARTICLE XXIII

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 XXIV

ANNEXATION OF ADDITIONAL PROPERTY INTO DEVELOPMENT AREA

The Declarant, for itself and its successors and assigns, hereby expressly reserves the right, but shall in no way be obligated, to expand the real property which is subject to this Declaration without the consent or joinder of any Owner or Owners of any Lot or Lots or person or entities having a lien or security interest in such Lot or Lots, by annexing, from time to time all or any portion of the tract of land known as the Development Area and being more particularly described on Exhibit A, attached hereto and incorporated herein by reference as if fully set forth.

The Declarant may also identify and annex to the Development Area by amendment hereto any other property as Declarant in its sole discretion may determine.

An amendment to this Declaration shall be made and recorded in the office of the Register of Deeds of Onslow County, North Carolina, to include each portion of the real property which is to be subject to this Declaration, and each such portion of the real property shall constitute an addition to the Subdivision. The right of the Declarant, or its successors and assigns, to expand the Subdivision as herein provided shall expire fifteen (15) years following the date of recordation of this Declaration.

ARTICLE XXV

SUPPLEMENTAL DECLARATION(S)

The Declarant shall have the right, from time to time, to record Supplemental Declarations for a Parcel or Parcels of the Development Area which may designate specific use and other restrictions within said Parcel, may create Common Areas within such Parcel for the use of all owners in the Subdivision, as may be expanded, and may create a separate owners association exclusively for such Parcel; provided, however, no Supplemental Declaration shall avoid membership in the Association by Owners of Lots in said Parcel, nor shall any Supplemental Declaration modify or amend the terms of this Declaration or any prior Supplemental Declaration for another Parcel, without the required consent of Owners of all Parcels constituting the then existing Project.

ARTICLE XXVI

ENFORCEMENT

Enforcement shall be by proceedings at law or in equity against any person or person violating or attempting to violate any covenant, either to restrain violations or to recover damages. In the event any proceeding is commenced to enforce the provisions of this Declaration, the non-prevailing party shall be obligated to pay, in addition to any monetary damages or other award granted by the court, the expenses and costs of such proceeding, including reasonable attorneys' fees of the prevailing party.

ARTICLE XXVII

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 or parts of said 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 XXVIII

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 XXIX

JESSE'S CROSSING SUBDIVISION

There are or will be 24 lots in Jesse's Crossing Subdivision. Said lot owners shall have the right to join the Buckhaven HOA and pay all dues and assessments of the Buckhaven HOA for the use of amenities constructed in Buckhaven, if any.

ARTICLE XXX

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 has caused this instrument to be signed by its President, with authority duly given by its board of directors, the day and year first above written.

PIERCE DEVELOPMENT, LLC

By: *Jimmy A. Pierce*
Jimmy A. Pierce, Manager

STATE OF NORTH CAROLINA

COUNTY OF PENDER

The undersigned, a Notary Public in and for said County and State, does hereby certify that JIMMY A. PIERCE, known to me or having provided satisfactory proof of her identity, personally came before me this day and acknowledged that he is the manager of PIERCE DEVELOPMENT, LLC, a North Carolina Limited Liability Company, and that by authority duly given and as the act of the corporation, he executed the foregoing instrument on behalf of the corporation in the capacity indicated.

Witness my hand and official stamp or seal, this 23rd day of September, 2011.

My commission expires:

10-9-15

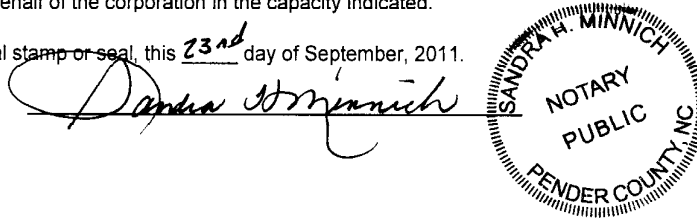



EXHIBIT "A"

Being all of Lots 41-43,45-56,58-94,97,100-107, as shown on plat entitled "BUCKHAVEN SECTION I", prepared for Pierce Development, LLC (Owner), said plat prepared by John L. Pierce & Associates, PA, dated August 19, 2011 and recorded in Map Book 62, Page 189, Slide N-222, Onslow County Registry.

EXHIBIT "B"

LOT NUMBER	BUA
41	11,744
42	6,970
43	11,744
45-51	6,970
52	11,744
53-55	6,970
56	11,744
58-68	6,970
69	26,104
70	34,143
71	19,528
72-73	11,744
74-80	6,970
81-82	11,744
83	19,528
84	11,744
85-86	19,528
87-89	6,970
90-91	11,744
92	6,970
93-94	11,744
97	6,970
100-107	6,970

Duffy



Doc ID: 009619850010 Type: CRP
Recorded: 03/20/2012 at 12:48:42 PM
Fee Amt: \$26.00 Page 1 of 10
Onslow County, NC
Rebecca L. Pollard Reg. of Deeds
BK **3745** PG **620-629** *4*

**DECLARATION OF COVENANTS, CONDITIONS
RESTRICTIONS AND EASEMENTS FOR JESSE'S CROSSING
(the "Declaration")**

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

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS, FOR JESSE'S CROSSING is made this the 20 day of March, 2012 by **L & M DEVELOPERS, LLC**, a North Carolina limited liability company, hereinafter called "**Declarant**".

W I T N E S S E T H:

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 to provide for the preservation and enhancement of the property values and to provide for the maintenance of certain improvements located thereon; and

WHEREAS, the protective covenants hereinafter set forth 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 to this end the Declarant subjects the property to the covenants, restrictions, easements, charges and liens as are hereinafter set forth for each and every lot or parcel thereof, which shall apply to and bind the successors in interest and any owner thereof.

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
PROJECT PROPERTY**

NOW, THEREFORE, it is hereby declared that the real property described herein is, and shall be, held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth; said property being more particularly described as follows:

BEING all that property as shown on that certain plat entitled, "Final Plat Showing, "JESSE'S CROSSING", dated February 8, 2012, prepared by John L. Pierce & Associates, P.A. and recorded in Map Book 63, Page 219, in the Office of the Register of Deeds of Onslow County, North Carolina, (the "Recorded Plat") hereinafter referred to as the "Subdivision."

**ARTICLE II
DEFINITIONS**

Section 1. Association shall mean and refer to "**JESSE'S CROSSING HOA, INC.**", its successors or assigns.

Section 2. Board shall mean and refer to the Board of Directors of the Association.

Section 3. This Section Left Intentionally Blank.

Section 4. Common Expenses shall mean and refer to :

a. the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Articles of Incorporation of the Association and its By-Laws;

b. all amounts expended by the Association in accordance with Article XVIII in holding and being responsible for the obligations of the Sedimentation and Erosion Control Permit and Stormwater Management **Permit SW8 110606** and overseeing, supervising, administering, managing, repairing, replacing and insuring all Stormwater Management Facilities located within the Property as required by this Declaration and all amounts expended in enforcing the provisions of said permits;

c. all amounts expended by the Association for the maintenance, repair and replacement of any sign or other improvements, including the landscaping thereof, within the Subdivision.

Section 5. Limited Common Expenses shall mean and refer to all amounts expended by the Association for the maintenance, repair, restoration and replacement of the force mains/supply lines for wastewater treatment systems situated within the septic system easements dedicated for such purpose for Lots 2, 3, 4, 7, 8, 9, 19, 20, 21, 22, and 24, in the Subdivision, as shown on the recorded map set forth in Article I hereof.

Section 6. Limited Common Assessments shall mean and refer to all charges, fees, costs and expenses to be collected from the owners of Lots 2, 3, 4, 7, 8, 9, 19, 20, 21, 22, and 24, as shown on the recorded plat of the Subdivision for Limited Common Expenses.

Section 7. 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 8. Declarant shall mean and refer to L & M DEVELOPERS, LLC, a North Carolina limited liability company, or any successor in title or any successor in interest of Declarant to all of the property then owned by L & M DEVELOPERS, LLC, 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 9. Dwelling shall mean and refer to the single family living residential structure on an individual Lot.

Section 10. Lot shall mean any separately described numbered parcel of land, other than streets, roadways, lots reserved for off-site septic systems for a Lot with the suffix "A", or areas designated as easements, shown on any recorded subdivision map of the Subdivision.

Section 11. Permit shall mean the State of North Carolina Stormwater Management Permit number SW8 110606 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.

Section 12. Property shall mean and refer to any real property which is, or may be, subject to this Declaration, or any Supplemental Declaration.

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 or off-site sanitary sewer disposal system repair area. All Lots with the suffix "A" shall be used solely for sanitary sewer treatment and disposal and shall be owned and conveyed together with the same numeral building Lot whether or not it is described in the deed of conveyance of such building Lot. No business activity of any kind, whether for profit or not for profit, may be conducted, maintained, or permitted on any part of the Subdivision property.

ARTICLE IV LAND USE AND BUILDING TYPE

No building or structure 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. This covenant shall not be construed as prohibiting the use of a new single family dwelling as a model home for sales purposes by the Declarant or its assigns.

ARTICLE V DWELLING QUALITY AND SIZE

The ground floor area of the main structure, exclusive of one-story porches and garages, shall be not less than 1,000 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 VI 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 accessory 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, 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.

ARTICLE VII NUISANCES

No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which maybe or may become an annoyance or nuisance to the other Lot owners or occupants. A standard of reasonability shall be used to determine the validity of a Lot or dwelling owner's or occupant's assertion of a nuisance.

ARTICLE VIII PARKING

No motor vehicle without a valid registration and current license tag, nor any inoperative motor vehicle, shall be allowed to be parked on any Lot and no repairs, other than in the case of emergency, shall be made to motor vehicles on any Lot, unless made within an enclosed garage or in the rear of the dwelling situated on such Lot.

ARTICLE IX ANIMALS, 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 on the owner's Lot, provided that they are not kept, bred or maintained for commercial purposes. Any and all pets shall not be allowed on any portion of the Subdivision, other than the owner's Lot, unless same are under the direct control of the owner, by hand leash or other physical restraint, at all times and are not creating a nuisance to the other owners within the Subdivision. Pets shall not be restrained on any Lot by any chain, rope or other leash type device anchored or fastened to a temporarily or permanently immovable object or structure.

ARTICLE X ERECTION OF FENCES

Fences, not to exceed six (6) feet in height, may be constructed between the front of the primary dwelling on a Lot, and the rear lot line. Provided, however, no fence shall be erected on a corner Lot, unless and until the location thereof is first approved by the Declarant or its assigns. 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 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.

ARTICLE XIII 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 XIV TEMPORARY STRUCTURES

No structure of a temporary character, such as a trailer, storage shed, tent, shack, garage, barn or other outbuilding shall be constructed or placed on a Lot or abutting street, either temporarily or permanently. No trailer, mobile home, camper or recreation vehicle shall be parked on any Lot at any time for any purpose, unless it is parked behind the main dwelling structure or placed inside the carport or garage.

ARTICLE XV DRAINAGE

All driveways shall have drainage tile in the street ditches installed and sized in accordance with the North Carolina Department of Transportation requirements or recommendations.

ARTICLE XVI 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 property corner, from the intersection of the street boundary lines extended. The same sight line limitations shall apply upon any Lot within 10 feet from the intersection of a street boundary 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 XVII 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.

Perpetual, non-exclusive easements for access, installation, maintenance, and repair of sanitary sewer force mains/supply lines and related facilities are reserved over, under and upon the Lots and other property as shown on the recorded plat as "SSE" for the benefit of Owners of Lots whose property's septic system is situated on off-site septic system lots designated with the suffix "A". Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation, maintenance or repair of the sanitary sewer pipes and fixtures therein. The Declarant, or Association, as provided in the Septic System Agreement and Exclusive Easements for the JESSE'S CROSSING Subdivision recorded, or to be recorded, following the recordation of this Declaration, shall repair any damage to any sanitary sewer facilities situated in, on or under the easements and restore, as much as reasonably possible, the area in which repairs are made to the condition it existed prior to such damage and repair. Said easements shall be appurtenant to and run with title to said Lots regardless of whether or not the granting of said easements are included in the deeds of conveyance of said Lots.

ARTICLE XVIII 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 110606 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 built-upon area ("BUA") per lot constituting a portion of the Subdivision is 7,500 square feet. This allotted amount includes any built-upon area constructed within the Lot property boundaries, and that portion of the right-of-way between 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, if built-upon area ("BUA") for that Lot, as calculated by CAMA, is less than the amount shown in these restrictions, the most restrictive BUA will be the maximum permitted limit for that Lot.

(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 adjacent to impounded structures, rivers and streams, and tidal waters.

(I) All roof drains shall terminate at least fifty (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.

(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 Association, 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 XIX 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 Plat 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 XX

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, the off-site sanitary sewer 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 and the Association shall have the right, and the obligation, through their agents and employees, to enter upon said Lot, off-site sanitary sewer Lot and/or any sanitary sewer easement, and clear, clean, repair, maintain and restore the Lot, off-site sanitary sewer Lot, together with the exterior of any building and any other improvements erected or situated thereon, and the force main/supply lines constituting any portion of the wastewater treatment system for such Lot. There is included in the authority herein granted the power to clear Lots, off-site sanitary sewer Lots, and sanitary sewer system easements, 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, and the Association 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. There is included in the authority herein granted the power to clear Lots of undergrowth, rubbish, debris, weeds or grass.

The costs of the maintenance or repair authorized by this Article shall be considered the legal obligation of the Lot Owner. The Declarant, or the Association, as applicable, 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, North Carolina. Any such lien obtained shall be subordinate to any first deed of trust.

In the event of any conflict between the terms and provisions of this Declaration and the Septic System Agreement and Exclusive Easements for the JESSE'S CROSSING Subdivision (the "Tri Party Agreement") recorded immediately following the recordation of this Declaration, the terms and provisions of the Tri Party Agreement shall control.

ARTICLE XXI

JESSE'S CROSSING HOA, INC.

For the purposes of this Article XX, "owner" or "owner of any Lot" shall mean the purchaser or grantee of any Lot in the Subdivision which has been improved by the construction of a single family residence thereon and occupied by such purchaser or grantee, individually or through his/her/their tenants or assigns.

A. The JESSE'S CROSSING HOA, Inc. (the "Association") has been or will be formed at the direction of the Declarant pursuant to the rules and requirements of the Nonprofit Association Act (Chapter 55A) of the General Statutes of North Carolina as an association of the owners of the Lots. Its purposes are to oversee, inspect, maintain, repair and replace the Stormwater Management Facilities constructed pursuant to the Permit; to enforce the provisions of the Permit; to enforce each Lot owner's obligations with respect to the Stormwater Management Facilities (the "SMF") pursuant to this Declaration; to enforce each Lot owner's obligations with respect to all applicable North Carolina Sedimentation and Erosion Control (the "SEC") Permits; to enforce each owner of a Lot in the JESSE'S CROSSING Subdivision to satisfy such Lot owner's obligation to maintain, repair, restore and replace any force main/supply lines constituting any portion of the wastewater treatment system for such Lot, including any components situated within any septic system easement. The rights of the Association set forth herein concerning the "SMF" and "SEC" Permits shall only be exercised if, and when, said Permits are transferred to the Association.

B. The Declarant shall have the right, but not the obligation, to annex into the JESSE'S CROSSING Subdivision additional property now, or in the future, owned by Declarant. From and after the date of such annexation, the annexed Lots shall be subject to the jurisdiction of the Association and the owners of the annexed Lots shall be members of the Association.

C. Each owner of a Lot within the Subdivision shall be a member of the Association. The owners of each individual Lot, by their acceptance of a deed thereto, covenant and agree with respect to the Association:

- (1) that for so long as each is an owner of a Lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Association; and
- (2) that any unpaid assessment, whether general or special, levied by the Association in

this Declaration, the Articles of Incorporation (herein called the "Articles") or the Bylaws of the Association (herein called the "Bylaws") shall be a lien upon the Lot upon which such assessment was levied and also shall be the personal obligation of the person who was the owner of the Lot at the time the assessment fell due.

D. Each membership in the Association shall relate to and have a unity of interest with an individual Lot which may not be separated from the ownership of said Lot. The books and all supporting documentation, the Declaration, the Articles, the Bylaws, and all amendments thereto shall be available for examination by all Lot owners, and their lenders or their lenders' agents during normal business hours at the principal office of the Association.

E. The Association shall have one class of members. The members shall be all owners of a Lot in the Subdivision, and they shall be entitled to one vote for each lot owned; provided, however, when more than one person holds an interest in any Lot, all such persons shall be members; however, the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote or any fraction of a vote be cast with respect to any Lot.

F. The Declarant shall, at its sole cost and expense, initially construct all Stormwater Management Facilities required to be located upon the Lots, and within the easements dedicated for such purpose. Upon completion of the construction of said Stormwater Management Facilities, the Declarant shall, as hereinafter provided, transfer the applicable Permit to the Association and the Association shall accept the transfer of the applicable Permit from the Declarant at such time as approved by the North Carolina Department of Environment and Natural Resources. Prior to any such transfer, the Stormwater Management Facilities for the Subdivision, including any property annexed by Declarant into the Subdivision, shall be certified, either by state inspection or by a licensed engineer, as being in compliance with the applicable Permit prior to such assignment or transfer. The Association shall indemnify and hold Declarant harmless from any loss, cost, claim, fee, fine, suit, damage or expense, including reasonable attorneys' fees, incurred by Declarant in the defense of any action against Declarant as the holder of the Permit occurring after Declarant tenders transfer of the Permit to the Association following the approval of such transfer by the North Carolina Department of Environment and Natural Resources and the certification of compliance as set forth above. Further, Declarant may bring an action for specific performance of the obligations of the Association pursuant to this paragraph. From and after the transfer of the Permit from the Declarant following the approval of the North Carolina Department of Environment and Natural Resources, the oversight, supervision, management and administration of the Permit shall be the sole responsibility of the Association. The Association's duties with regard to the Permit shall be carried out in accordance with the terms and conditions of this Declaration, the Articles, the Bylaws and the Permit. The Association hereby is granted and conveyed an easement over, under and upon each Lot and future lots which may be annexed into the Subdivision for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each Lot and any future subdivided lot. In the event, the Declarant annexes additional property into the Subdivision and transfers the applicable Permit to the Association, the Association shall have, and hereby is granted and conveyed, an easement over, under and upon each annexed lot for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each annexed lot.

G. The expenses of the Association shall include:

(1) All amounts expended by the Association in holding and being responsible for the obligations of the Permit and overseeing, supervising, administering, managing, repairing, replacing and insuring all Stormwater Management Facilities located within the Subdivision as required by this Declaration; all amounts expended by the Association in enforcing the provisions of this Declaration, as may be amended; all amounts expended by the Association in the performance of its duties hereunder from and after the time Declarant transfers the Permit; and all amounts expended by the Association in legal, engineering or architectural fees and all similar fees which may be incurred by the Association from time to time in performing the functions delegated to the Association by this Declaration.

(2) All amounts expended by the Association in carrying out any duty or obligation as may be required or allowed by this Declaration, the Articles or the Bylaws.

(3) All amounts expended by the Association in operating, administering, managing, repairing, replacing, improving, paying all taxes imposed on and insuring the improvements.

(4) All amounts expended by the Association in repairing, replacing, and improving the force main/supply lines of any wastewater treatment systems and/or septic system easements dedicated for such purpose.

If prior to the transfer of control of the Association by the Declarant to the owners of Lots the Association does not have sufficient funds to pay the expenses of the Association, the Declarant shall pay the deficiency.

H. Each owner of any Lot by acceptance of a deed for the same (whether or not it shall be so expressed in such deed) is deemed to covenant and agree, to pay to the Association annual general assessments or charges, and limited common assessments, as hereinafter provided. The annual general assessments and annual limited common assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the limitations set forth herein, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a Lot, unless expressly assumed by them, but, subject to the provisions of this Declaration, delinquent assessments shall continue to be a lien upon such Lot.

(1) Until March 1, 2013, the annual general assessment shall be Fifty Dollars (\$50.00) per Lot and the annual limited common assessment shall be Fifty Dollars \$50.00 per Lot.

(2) From and after March 1, 2013, the annual general assessment and annual limited common assessment may be increased upon the vote of a majority of the Board of Directors of the Association by no more than fifteen percent (15%) of the annual general assessment or limited common assessment for the preceding year.

(3) Any increase of the annual general assessment, or limited common assessment, exceeding fifteen percent (15%) of the assessment for the preceding year must be approved by the owners of at least two-thirds (2/3) of the Lots who are voting in person or by proxy at a meeting called for this purpose.

(4) Once the annual general assessment and limited common assessment have been set, notice of the annual general assessment and limited common assessment shall be given to all Lot owners. It is provided, however, that no owner is relieved from the obligation to pay either assessment because of failure to give such notice. After the initial notice of the assessments, no bills for such assessments will be forwarded to any owner but such assessments thereafter shall become due and payable as provided by the Board of Directors.

(5) As provided in the Bylaws, and subject to the restrictions and limitations provided herein, the

Board of Directors shall establish an Annual Budget in advance for each fiscal year. Such budget shall project all expenses for the forthcoming fiscal year which may be required for the proper operation, management and maintenance of the Stormwater Management Facilities, the North Carolina Sedimentation and Erosion Control Permits, the "Entrance Sign", if any, situated in any sign easement for such purpose, the force main/supply lines within the sanitary sewer and access easements and the Association, including a reasonable allowance for contingencies and reserves. The budget shall take into account any projected or anticipated income. Upon adoption of such Annual Budget by the Board of Directors, copies of the Budget shall be delivered to each owner together with a statement of the assessments for each Lot as provided herein, based upon such budget; however, the non-delivery of a copy of said Budget shall not affect the liability of any owner for such assessment. The Annual Budget shall be divided by the number of Lots subject to the annual general assessments and limited common assessments at the time of the annual meeting of the members and the quotient shall be the annual general assessment and limited common assessment per Lot for the succeeding fiscal year.

(6) All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the Association to the payment of any expense of operating and managing the Association or the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles and the Bylaws. As monies for any assessment are paid into the Association by any owner, the same may be commingled with monies paid to the Association by the other owners. Although all funds and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer said owner's membership interest therein, except as an appurtenance of said owner's Lot. When the owner of a Lot shall cease to be a member of the Association by reason of said owner's divestment of ownership of such Lot, by whatever means, the Association shall not be required to account to such owner for any share of the fund or assets of the Association, including any monies which said owner may have paid to the Association, as all monies which any owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Association.

(7) Written notice of any meeting called for the purpose of taking any action requiring a meeting shall be sent to all members not less than thirty (30) days, or more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast thirty percent (30%) of the votes of all members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

I. Annual general assessments, limited common assessments, and special assessments shall, except as otherwise provided herein, be fixed at a uniform rate for all Lots to which such assessments apply. The annual general assessments provided for herein shall commence as to each Lot, other than any Lot owned by the Declarant upon which no residential dwelling has been constructed, on the date of recordation of the deed for such Lot in the Office of the Register of Deeds of Onslow County and shall be prorated on a calendar year basis through the date of such recordation. The annual general assessments shall be assessed for each calendar year thereafter and shall be payable annually, with the due date for such payments being as established by the Board of Directors. The limited common assessment, or any special assessment, for the maintenance, repair, restoration and replacement of the force mains/supply lines within the septic system easements shall be fixed at a uniform rate for Lots 2, 3, 4, 7, 8, 9, 19, 20, 21, 22, and 24 in the Subdivision, but shall not be assessed against the other Lots in the Subdivision.

J. The annual general assessment levied by the Association shall be used exclusively to oversee, inspect, maintain and repair the Stormwater Management Facilities; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permit; to pay the expenses of the Association from and after the time, if ever, Declarant transfers the Permit to the Association. The Association's sole functions are to oversee, inspect, maintain and repair the Stormwater Management Facilities; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permits and to oversee, inspect, maintain and repair the sanitary sewer force mains/supply lines for the off-site septic system lots as provided in this Declaration. The powers of the Association may not be expanded beyond those purposes. Nothing herein relieves the owner of a Lot from said owner's obligation to maintain the areas upon said owner's Lot upon which the Stormwater Management Facilities are located as provided herein and not to damage or allow damage to occur to said Stormwater Management Facilities and to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits.

K. 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.

L. General special assessments, limited common assessments and specific special assessments may be levied against Lots for such reasons as are provided in this Declaration, the Articles or the Bylaws, and on such terms as provided by the directors and the members. Upon a two-thirds (2/3) vote of the Directors and a two-thirds (2/3) vote of the owners of Lots who are voting in person or by proxy at a meeting duly called for this purpose, the Association may levy and impose special assessments. The purposes for which special assessments may be levied are limited to providing funds to pay for the oversight, inspection, maintenance and repair of the Stormwater Management Facilities, to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit and all applicable North Carolina Sedimentation and Erosion Control Permits which exceed the general assessment funds then on hand to pay same and to provide a contingency fund for capital improvements and extraordinary expenses. General special assessments and limited common assessments shall be levied at a uniform rate for all Lots subject to such assessments. Specific special assessments may be assessed against the owner of a Lot after written notice has been given by the Association to the owner of said Lot at the address of the owner appearing upon the records of the Association by United States mail, postage prepaid, that the Stormwater Management Facilities located on said Lot have been damaged by the act or negligent failure to act of said owner or that said owner has failed to comply with all applicable North Carolina Sedimentation and Erosion Control Permits and that, as a result, such Stormwater Management Facilities are in need of repair or replacement in order to comply with the Permit or actions must be taken in order to comply with the applicable North Carolina Sedimentation and Erosion Control Permits and the owner of said Lot has not taken the necessary action to bring the Stormwater Management Facilities located on said owner's Lot into compliance with the Permit or to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits within thirty (30) days after the mailing of said notice. If said owner commences the necessary action to repair or replace the Stormwater Management Facilities located on said owner's Lot and to bring the Stormwater Management Facilities into compliance with the Permit or to bring the Lot into compliance with the applicable North Carolina

Sedimentation and Erosion Control Permits within the thirty (30) day period set forth above, the imposition of a specific special assessment shall be Deferred by the Association for the period during which said owner diligently pursues to completion the repair or replacement of the Stormwater Management Facilities located on said Lot or compliance with the applicable North Carolina Sedimentation and Erosion Control Permits. Specific special assessments shall be limited to the amount of funds actually expended, or in the discretion of the Board of Directors, the amount of funds reasonably estimated by the Board of Directors will be expended, by the Association to repair or replace the Stormwater Management Facilities located upon the Lot or to comply with the applicable North Carolina Sedimentation and Erosion Control Permit applicable to the Lot upon which the specific special assessment is assessed. Special assessments, either general or specific, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions set forth in this Declaration, shall be a continuing lien upon the Lot against which each such assessment is made. The personal obligation of an owner of a Lot for delinquent special assessments, whether general or specific, shall not pass to a successor in title to a Lot unless expressly assumed by the successor, but, subject to the provisions of this Declaration, delinquent special assessments shall continue to be a lien upon such Lot.

M. Any annual general assessment, general special assessment, limited common assessment or specific special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest at the rate of ten percent (10%) per annum, costs of collection, court costs, and reasonable attorneys' fees shall constitute a lien against the Lot upon which such assessment is levied. The Association may record notice of the same in the Office of the Clerk of Superior Court of Onslow County or file a suit to collect such delinquent assessments and charges. The Association may file Notice of Lis Pendens, bring an action at law against the owner personally obligated to pay the same and/or bring an action to foreclose the lien against the Property. The lien of any assessment 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 foreclosure of a first mortgage or any proceeding in lieu therefor, shall extinguish the lien of such assessment 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. No owner may waive or otherwise escape liability for the assessments provided for herein.

N. In the event the Articles of Incorporation and/or Bylaws of the Association are amended to expand the rights and duties of the Association, those amendments shall have no effect on the Lots or the Subdivision unless, by recorded amendment to this Declaration, joined in by Declarant.

O. Notwithstanding any term or provision set forth in this Article XX to the contrary, it is understood and agreed that the Declarant shall not be obligated to pay the annual, limited common, or special assessments provided for herein.

ARTICLE XXII REMEDIES

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

A. The Declarant (whether or not the Declarant is the owner of any Lot), the Association, 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, the Articles and Bylaws 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 Association, the Declarant or an aggrieved party to invoke an available remedy with respect to a violation of any of this Declaration, the Articles and Bylaws 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 XXIII 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 XXIV 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 XXV 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 XXVI
MODIFICATION

Except as otherwise provided in this Declaration, these restrictions are subject to being altered, modified, canceled or changed at any time as to the 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-seven percent (67%) 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-seven (67%) percent or more of the subdivided lots, the Declarant may alter or amend these covenants without the consent of any other owner. The Declarant hereby reserves the right to reduce the minimum square footage requirements for dwellings set forth in Article V hereof in any future section or sections of the Development Area annexed to the Subdivision as provided in this Declaration, in its sole discretion, without the consent or joinder of any other Lot owners, by written document executed by the Declarant, or its successors in title, and recorded in the Office of the Register of Deeds of Onslow County, North Carolina.

ARTICLE XXVII
ANNEXATION OF ADDITIONAL PROPERTY

The Declarant, for itself and its successors and assigns, hereby expressly reserves the right, but shall in no way be obligated, to expand the real property which is subject to this Declaration without the consent or joinder of any Owner or Owners of any Lot or Lots or person or entities having a lien or security interest in such Lot or Lots, by annexing, from time to time any property adjoining the Subdivision.

An amendment to this Declaration shall be made and recorded in the Office of the Register of Deeds of Onslow County, North Carolina, to include each portion of the real property which is to be subject to this Declaration, and each such portion of the real property shall constitute an addition to the Subdivision. The right of the Declarant, or its successors and assigns, to expand the Subdivision as herein provided shall expire fifteen (15) years following the date of recordation of this Declaration.

ARTICLE XXVIII
SUPPLEMENTAL DECLARATION(S)

The Declarant shall have the right, from time to time, to record Supplemental Declarations for any property annexed which may designate specific use and other restrictions within said additional property, may create Common Areas within for the use of all owners in the Subdivision, as may be expanded, and may create a separate owners association exclusively for such annexed property; provided, however, no Supplemental Declaration shall avoid membership in the Association by Owners of Lots in said annexed property, nor shall any Supplemental Declaration modify or amend the terms of this Declaration or any prior Supplemental Declaration for another annexed parcel, without the required consent of Owners of all property constituting the then existing Subdivision.

ARTICLE XXIX
PROVISIONS RELATING TO WETLANDS

All areas of the Subdivision, if any, designated 404 Wetlands as shown and delineated on the Recorded Plat 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 XXX
TERM

The covenants, conditions, restrictions and easements set forth in this Declaration 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 this Declaration is recorded, after which such time this Declaration 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 Declaration in whole or in part, with the exception of Article XVII.

ARTICLE XXXI
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.

ARTICLE XXXII
OPTION TO JOIN BUCKHAVEN HOA, INC.

In accordance with Article XXIX of the Master Declaration of Restrictive and Protective Covenants for Buckhaven Section I recorded September 23, 2011 in Book 3655, Page 237, Onslow County Registry, the owners of Lots in the Jesse's Crossing Subdivision have the right to join the Buckhaven HOA, Inc. homeowners association and enjoy the use of the amenities constructed in the Buckhaven subdivision, including, but not limited to the swimming pool, upon payment of all dues and assessments of said Buckhaven HOA, Inc.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be signed by its Manager, with authority duly given by its members, the day and year first above written.

JESSE'S CROSSING LLC, a North Carolina limited liability company

By: Michelle Briese
Michelle Briese

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

The undersigned, a Notary Public in and for said County and State, does hereby certify that MICHELLE BRIESE, known to me, or having provided satisfactory proof her identity, personally came before me this day and acknowledged that she is the Manager of JESSE'S CROSSING DEVELOPMENT, INC., a North Carolina limited liability company, and that with authority duly given and as the act of the limited liability company, the foregoing instrument was signed in its name by him/her as its Manager for the purposes set forth therein and in the capacity indicated.

Witness my hand and official stamp or seal, this 20 day of March, 2012.

Notary Public J. Dewey Edwards, Jr.
Printed Name J. Dewey Edwards, Jr.

My Commission Expires: July 9, 2016

