



Doc ID: 007579450022 Type: CRP
Kind: RESTRICTIVE COVENANT
Recorded: 10/02/2009 at 03:16:41 PM
Fee Amt: \$77.00 Page 1 of 22
Onslow County, NC
Rebecca L. Pollard Reg. of Deeds
BK 3303 PG 514-535

Prepared by: GLENN O'KEITH FISHER, ATTORNEY
FRANK W. ERWIN, ATTORNEY

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CECIL G. DAVIS, Declarant
KANTON RIDGE ARCHITECTURAL CONTROL COMMITTEE
KANTON RIDGE COMMUNITY SERVICES ASSOCIATION, INC.

NORTH CAROLINA
ONslow COUNTY

MASTER DECLARATION OF
COVENANTS AND RESTRICTIONS
(SF/CSA-STREETS)

[CONTAINING A DECLARATION OF EASEMENTS-
AGREEMENT FOR MAINTENANCE AND REPAIR
Including Automatic Termination]

KANTON RIDGE SECTION V-A
(47F-1-101 et seq.)

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS, made
the 2 day of OCTOBER, 2009, by **CECIL G. DAVIS, single**, hereinafter called "Declarant."

BACKGROUND STATEMENT

The Declarant is the owner of the real property described in Paragraph 1 of this Declaration and is desirous of subjecting said real property to the protective covenants hereinafter set forth, each and all of which is and are for the benefit of such property and for each owner thereof, and shall

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

inure to the benefit of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest and any owner thereof.

NOW, THEREFORE, Declarant hereby declares that the real property in and referred to in Paragraph 1 hereof is and shall be held, transferred, sold and conveyed subject to the protective covenants set forth below:

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

Being all of Lots 1-9 (inclusive) and 22-30 (inclusive) as shown on that REVISED FINAL PLAT –SECTION V-A KANTON RIDGE, as recorded in Map Book 58, Page 21, Onslow County Registry.

2. **DEFINITIONS:**

A. "Association" shall mean and refer to **KANTON RIDGE COMMUNITY SERVICES ASSOCIATION, INC.**, a non profit association, its successors and assigns, which shall be formed by the Declarant as provided in this Declaration.

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

C. "Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as hereafter be brought within the jurisdiction of the Association, and specifically includes all of that subdivision known generally as **KANTON RIDGE, SECTION V-A**.

D. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners, the public, or both, and specifically shall mean any storm water control or disposal improvements, easements conveyed or shown on any recorded plat for the benefit of the association or owners in the subdivision, walkways, streets, if any, which may be constructed. "Common Area" shall specifically include any streets conveyed to the Association which have not yet been accepted by the North Carolina Department of Transportation, but shall not include any real property upon which any easement for wastewater treatment shall be granted or conveyed for use by any owner in the subdivision.

E. "Lot" shall mean and refer to any plot of land shown upon any record subdivision map of the Properties with the exception of the Common Area, and includes any improvements thereon, if any.

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F. "Declarant" shall mean and refer to **CECIL G. DAVIS**, his successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

3. **PURPOSES:** No lot, lots, or portions thereof shall be put to any use other than for residential purposes, except that any lot may be used by the Declarants for a street or roadway.

4. **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 one detached single family dwelling 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 reasonable 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 dwelling as a model home for sales purposes.

5. **STREETLIGHTING AGREEMENT:** The Developer 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, either or both which may require an initial payment and/or a continuing monthly payment to an electric utility company by the owner of each dwelling.

6. **DWELLING QUALITY AND SIZE:** The ground floor area of the main structure, exclusive of one-story open porches and garages, shall be not less than 1200 square feet for a one-story dwelling nor less than 800 square feet for a dwelling of more than one story. The height of all foundations, with the exception of the garage, shall be 18 inches or higher above the finished grade of the ground after all landscaping is completed. All foundations shall be brick or stone, veneer unless the house has a stucco exterior in which event the foundation may be covered with stucco. No cinder block, concrete block or equivalent construction shall be visible after construction is completed.

7. **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 eight (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 20 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 purpose of this covenant, eaves, steps, open porches, and carports shall not be considered as a part of a building provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot. An error of not more than ten percent (10%) 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.

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7.1 VARIANCES: The Association may allow reasonable variances and adjustments of the restrictions set forth in this Declaration in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein; provided, however, that any such variance granted must be done in conformity with the intent and purposes of the general development scheme and provided also that in every instance such variance or adjustment shall not materially be detrimental or injurious to other property or improvements within the Properties.

The Declarant reserves the right and the authority to allow further encroachment by any lot owner into the aforesaid front line, any side street line, interior or rear lot line or other setback lines herein prior to construction or to grant a variance as to any encroachment before and after the commencement or completion of construction. In addition, the Declarant may also vary the provisions of this Declaration regarding the height of the buildings provided such variance granted shall be in conformity with the intent and purposes of the general development scheme of the subdivision and provided that the variance or adjustment shall not materially be detrimental or injurious to other property or improvements within the subdivision. When the Declarant has conveyed the last numbered lot in the subject property as evidenced by the recordation of a deed therefore, then the right of the Declarant to grant further encroachment into the setback lines and authority of the Declarant to grant variances for encroachments into said setbacks shall be, as to the Declarant, shall end.

8. LOT AREA AND WIDTH: No dwelling shall be erected or placed on any lot having a width of less than 60 feet at the front minimum set back line nor shall any dwelling be erected or placed on any lot having an area of less than 10,000 square feet; except said minimum requirements do not apply to any designated and numbered lots on said plat herein referred, if any such lots as shown do not meet these requirements.

9. SUBDIVISION: No lot shall be subdivided if the result of each subdivision is separate ownership of less than a whole lot; provided, however that the Declarant, its successors and/or assigns reserves the right to adjust boundary lines and numbered lots on the plat referred to above without the consent of anyone.

10. 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.

11. EASEMENTS: Easements for installation or maintenance of utilities, specifically offsite wastewater facilities and drainage facilities are reserved as shown on the recorded plat. 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 a 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 and

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

except for those improvements such as improvements associated with offsite septic or wastewater treatment which benefit another owner in the subdivision.

The grantor reserves for itself, its successors or 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 sewer services.

12. ANIMALS: No animals, livestock, or poultry of any kind shall be kept or maintained on any lot in any dwelling except that household pets (except as excluded below) may be kept provided that said pet is not kept for breeding or commercial purposes. No pet shall be allowed off the lot of the Owner of said pet unless said pet is attended and on a leash. Owners shall be solely and absolutely liable for the acts of a pet kept on their lot.

13. BUILDING PLANS AND SPECIFICATIONS: No dwelling or other building shall be erected upon any lot unless the plans and specifications thereof meet or exceed the requirements of "minimum property standards for one and two living units". (FHA, No. 300), Federal Housing Administration.

14. ERECTION OF FENCES: No fence over six (6) feet in height shall be constructed between the rear lot line and a point which is 1/4 forward of the rearmost corner of the house. No fence shall be erected between a point which is 1/4 forward of the rearmost corner of the house and the front street right of way unless such fence shall be not more than three (3) feet in height and of an ornamental nature. Brick and split-rail fences shall be deemed to meet the requirements of this restriction.

15. SIGNS: No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one (1) square foot parallel to the building line, one sign of not more than six (6) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

16. GARBAGE AND REFUSE DISPOSAL: No lot shall be used or maintained as a dumping ground for rubbish. No junk or abandoned automobiles or parts thereof shall be placed or be allowed to remain or be stored on any lot. 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. The Declarant reserves the right for itself, its successors and assigns to contract for the garbage collection services for each lot in the subdivision and the lot owner shall be responsible for the payment of such garbage services to the company providing the same, so long as public garbage services are not available.

In the event a lot owner fails to maintain their lot and the improvements located thereon in a manner in keeping with other property in the neighborhood, the Declarant further reserves the right, but not the obligation, to clear the lot and improvements of any trash, garbage or other waste

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

and to cut and clear the grass, weeds and undergrowth upon any lot and to charge the same to the owner.

17. SIGHT DISTANCE AT INTERSECTIONS: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (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 twenty-five (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 on any lot within ten (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 distances of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

18. TEMPORARY STRUCTURES: No structure of a temporary character, mobile home, double-wide mobile home, modular homes, trailer, camper, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently. It is provided, however, that the Declarant may grant permission for any such temporary storage of materials during construction. Any such temporary structures as may be approved shall not be used at any time as a dwelling. No trailer, camper or like vehicle shall be parked on any lot at any time for any purpose nor shall any vehicle be allowed to remain on any lot at any time for any purposes unless it is parked behind the main dwelling structure or placed inside the carport or garage.

19. DRIVEWAY TILES AND DRAINAGE: All driveways shall have drainage tile in the street ditches installed and sized in accordance with the N. C. Highway Commission standards and such tile shall be covered by such dirt cover as required by the North Carolina Department of Transportation and the manufacturer of the driveway tile. All driveways shall be constructed of a hard paved surface, except for the driveway/roadway serving Lots 26, 27 and 28 which may be gravel and whose lot owners will maintain those driveways/roadways as set out below.

19.1 SPECIAL RESTRICTIONS REGARDING DRIVEWAY (Lots 26, 27, & 28 only):

A. Easement for Driveway. There is hereby reserved for each owner of the Lots 26, 27 and 28, their successors and assigns, an easement for driveway maintenance, construction and reconstruction, extending into each of Lots 26 & 27 as shown on the recorded plat. Said easement may be used for the purpose of installing, maintaining and repairing the driveway and any utility and service lines and systems associated therewith, but all such construction, repair and replacement shall be in accordance with all laws and regulations of the State of North Carolina. It is specifically understood that the width of the driveway which is to be constructed or has been constructed and may be maintained is less than the easement width and that the remaining easement width shall specifically be for the maintenance and/or reconstruction thereof and that use of the space on each side of the driveway shall be limited to the lot owner on the respective side of the driveway.

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B. Encroachment. In the event any portion of the common driveway and which is presently built encroaches upon the adjacent lot, then and in that event an easement for that encroachment shall and does hereby exist, including an easement which shall affect any riparian and littoral rights.

C. Maintenance of Driveway. Each owner shall maintain all improvements in good repair and keep the same safe, clean and orderly in appearance at all times. General rules of law regarding liability for property damage due to negligence or willful acts and omissions shall apply. The cost of reasonable repair and maintenance shall be shared equally by each owner and shall be agreed upon in advance by each owner.

D. Entry Not Trespass. Whenever an owner is permitted by these covenants to correct, repair, clean, preserve, clear out or do any action in or upon the easement areas, such action shall not be deemed a trespass.

E. Destruction By Fire or Other Casualty. If any improvement is damaged or destroyed by fire or other casualty, any owner may restore it, and if the other owner thereafter makes use of the improvement, the other owner shall contribute to the costs of restoration thereof in equal proportion, without prejudice, however, to the right of any such owner to call for contribution by others under any rule of law regarding liability for negligence or willful acts or omissions.

F. Right To Contribution Runs With Land. The right of any owner to contribution from any other owner under this paragraph shall be appurtenant to the land and shall pass to the owners successors in title.

G. Dispute Resolution.

(1) In the event of any dispute between owners arising concerning a common driveway or improvement, or under any other provisions of the Restrictive Covenants, any owner shall notify the Association Board of Directors. The Board of Directors shall thereafter resolve the dispute, and the decision shall be binding on the owners of the lot owners. Alternatively, or in the event the Board cannot resolve the dispute or becomes deadlocked, then the Board will choose an arbitrator whose decision shall be binding on the unit owners of the units in the building.

(2) Arbitration. Any controversy that shall be submitted to arbitration shall be determined and settled by an independent disinterested person [hereinafter "independent arbitrator"] appointed by the Board, and such independent arbitrator shall resolve the controversy in accordance with the terms of the Uniform Arbitration Act, currently codified in North Carolina General Statute, Articles 45C, §1-569.1 et.seq. or any successor statutes.

The controversy as so determined shall be binding on the parties. The cost of the arbitration shall be borne equally by the parties, except that each party will pay the costs of its legal counsel and the costs of expert witnesses. The place of arbitration shall be Jacksonville, North Carolina.

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

(3) Enforcement. In any controversy resolved by dispute resolution where an owner fails to perform according to the terms of any decision or order of the Board or Arbitrator(s) may be enforced as a violation of these restrictive covenants. Alternatively, the Association may and is empowered to, but shall not be required to, undertake the improvements or maintenance required by the decision or order of the Board or Arbitrator(s) and collect the costs therefor as an assessment against the lots as set out in the decision or order of the Board or Arbitrator(s).

20. RESUBDIVISION: No resubdivision of any single Lot shall be allowed, except that nothing contained herein shall prohibit the owner of a Lot from conveying by deed or easement a portion of a Lot to an adjoining Lot owner for the purpose of curing an encroachment or setback violation. Further, provided, however, that the Declarant, its successors or assigns, reserves the right to make minor boundary line adjustments between lots so long as said adjustment does not exceed ten percent (10%) of the total area of a given lot.

Nothing contained herein shall prohibit conveyance of more than one Lot, or portions of contiguous Lots, as long as the resulting Lot or Lots are greater in size than those originally subdivided. Upon the recombination of any Lots to reduce the total number of allowable building Lots, for purposes of membership in the Association and for purposes of the payment of dues and assessments, any recombined Lots shall be considered a single Lot upon recordation of a plat so showing in the office of the Register of Deeds, but the combining of lots shall not reduce the number of lots for the purpose of assessments and the assessments shall be pro rated based upon the area of the recombined lots.

Any recombined or resubdivided lot shall be restricted to the construction thereon of one Living Unit per redivided Lot. It is the intention that the recombining of lots will decrease the number of homes within the property subject to this declaration, but that in no event shall the maximum number of homes which can be constructed within the property subject to this declaration increase.

Furthermore, should any Lot be determined by Declarant to be unbuildable, and should such Lot then be deeded to the Association as Association Property, or dedicated by Declaration as recreation or open space area for the benefit of the Association, all by document duly recorded in the office of the Register of Deeds of Onslow County, there shall be no further dues or assessments owed from the date of such recordation; however, any dues prepaid shall not be reimbursed.

21. WETLANDS, CONSERVATION and STORMWATER SPECIAL PROVISIONS: It shall be the responsibility of each owner, prior to alteration of any lot, to determine if any Lot shall have been determined to meet the requirements for designation as a regulatory wetland. Any subsequent fill or alteration of this wetland shall conform to the requirements of state wetland rules adopted by the State of North Carolina in force at the time of the proposed alteration. The intent of this deed restriction is to prevent additional wetland fill, so the property Owner should not assume that a future application for fill will be approved. The property Owner shall report the name of the subdivision, in any application pertaining to wetland rules. This covenant is intended to insure the

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

continued compliance with wetland rules adopted by the State of North Carolina therefore benefits may be enforced by the state of North Carolina. This covenant is to run with the land and shall be binding on all parties and all persons claiming under them.

The allowable built-upon area per lot for Section V-A is as set out and described on the attached Exhibit A, and incorporated herein by this reference as if fully set forth herein. This allotted amount includes any built upon area constructed within the lot property boundaries and that portion of the right of way between the front lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate and coquina, but does not include raised, open wood decking, or the water surface of swimming pools. These covenants pertaining to stormwater regulations may not be changed or deleted without concurrence of the Division of Water Quality. Filling or piping of any vegetative conveyances (ditches, swales or similar improvements) associated with the development except for average driveway crossings, is strictly prohibited. Lots with CAMA's Area of Environmental Concern may have the permitted built upon area reduced due to CAMA jurisdiction with the Area of Environmental Concern. Filling in, piping or altering any designated curb outlet swale associated with the development is prohibited by any persons.

21.1 COMMUNITY OR GOVERNMENTAL WASTEWATER TREATMENT

AVAILABILITY: It is anticipated that a public or private wastewater treatment facility may be available to the lots of this subdivision at some future date. When so available, all lots shall connect to such system within ninety (90) days after the first date of availability to any lot or lots in the subdivision. Such community or governmental wastewater treatment or other public or private sewer system shall first be approved by any North Carolina governmental or regulatory authority.

21.2 EASEMENTS FOR SEPTIC TANKS SYSTEMS AND FOR REPAIRS AREAS:

All lots have been determined to be potentially unsuitable or unsuitable for septic tank sewage disposal or for inclusion of a repair area. Declarant has, therefore, determined that it is in its best interest to utilize off site drainage fields on that property shown and described as Lots 1A- 9A (inclusive) and 22A -30A (inclusive) on that revised final plat entitled "Kanton Ridge, Section V-A" and recorded in Map Book 58, Page 21, Onslow County Registry. The plans and specifications for said off-site, low pressure system have been approved by the Onslow County Health Department. This Declaration is entered into in order to provide the necessary easements for said system, and to provide for the maintenance and repair of the systems. The terms and conditions of the easements, rights and obligations of owners of the Lots utilizing the area are as follows:

A. Easement: There shall be an non-exclusive easement for the benefit of all lots in Kanton Ridge, Section V-A, as recorded in Map Book 58, Page 21, Onslow County Registry, for the purposes of installation, maintenance and repair of septic tanks, pumps and lines, over real property described as follows: Being all of that property shown as Lots 1A- 9A (inclusive) and 22A -30A (inclusive) on that final revised plat entitled "Kanton Ridge, Section V-A" and recorded in Map Book 58, Page 21, Onslow County Registry.

B. Ownership, Use and Termination: The owners of those lots in Kanton Ridge, Section V-A, as recorded in Map Book 58, Page 21, Onslow County Registry, shall have respective and perpetual (subject to termination as hereinafter provided) non-exclusive easements over the area as set out above for purposes of installation, maintenance and repair of pipes, lines and drain field in accordance with approved plans and specifications and all streets for the purposes of lines, together with access easements as shown on the plats. The aforesaid easements established herein shall terminate, as to each of any such lots utilizing the easement area, ninety (90) days after the first date of availability, to said lots, of a public or private sewer system. Notwithstanding the existence of the easements, the Association shall be responsible for payment of ad valorem taxes on each said lot upon which the easements exist until the date of termination as described in the preceding sentence.

C. Plans and Specifications: The plans and specifications for the aforesaid systems, and the operation and maintenance of the systems, are described or shown in operation permits on file with the office of the Environmental Health Division, Onslow County, Onslow County Courthouse, Jacksonville, NC 28540. All of the above-listed documents are hereby incorporated by reference.

D. Installation per Plans and Specifications: The installation and maintenance of the septic systems shall be, at all times, in accordance with the documents listed above.

E. Maintenance and Repair Responsibilities: Maintenance and repair of the system which lies within the easement described herein, and maintenance of that easement area and any pipes running from the lot to the easement area, and the cost and repair of electricity and pumps to be utilized by each lot, shall be the sole responsibility of the respective owners of each lot utilizing the easement area. It is the intention that maintenance of any improvements shall be the sole responsibility of the owners of that lot which is benefitted by the described easement and system therein located. Notwithstanding the above, the Association shall have a non-exclusive easement for the purpose of, and shall be responsible to provide routine maintenance such as landscaping and mowing, and any maintenance not associated with the individual wastewater system, which shall be the responsibility of the lot owner utilizing the easement. Such easement shall terminate as provided above.

F. Agreement Binding: The terms of this Declaration shall be binding upon, and shall inure to the benefit of, the owners of the lots in Kanton Ridge, Section V-A, as recorded in Map Book 58, Page 21, Onslow County Registry, their heirs, executors, administrators, successors and assigns. The easements and obligations herein shall run with the said in Kanton Ridge, Section V-A, as recorded in Map Book 58, Page 21, Onslow County Registry and shall be deemed transferred with the transfer of each said lot, whether or not specifically described in a deed therefor.

22. ASSOCIATION/ STREETS/ROADS:

A. Declarant or declarant's successors in interest shall cause to be formed an Association as a not for profit corporation pursuant to Chapter 55A of the North Carolina General Statutes, prior to the conveyance of any property to the Association.

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B. The purpose of the association and any assessments imposed by the association shall be as set out elsewhere in this Declaration for the maintenance of the easement or drain field areas for off site wastewater treatment and also shall specifically include the obligation to maintain in passable condition all roads and streets within the subdivision that may hereinafter be transferred to the Association, until and unless the streets are dedicated and accepted by the North Carolina Department of Transportation. The non-state maintained road(s) allowed under the Onslow County Subdivision Regulations and which are a part of this subdivision have been designed and will be built to the standards of said Ordinance. It is the intention of the Declarant to dedicate the streets to the State of North Carolina Department of Transportation or a political subdivision of the State of North Carolina or a governmental entity or authority for ownership and maintenance. Prior to that time, then in accordance with these covenants, streets within the subdivision shall be maintained by the Association until such time as maintenance is assumed by the State of North Carolina. In the event dedication is not allowed or accepted, streets within the subdivision shall be maintained by the Association. The obligation of the Homeowners Association to maintain the streets and roads in the subdivision shall continue until such time as the North Carolina Department of Transportation has accepted said roads into its statewide system.

C. Upon the acceptance of the subdivision streets by the North Carolina Department of Transportation, the Association, if formed, shall be dissolved, unless the Association has been conveyed other property (including any rights in and to an easement for offsite wastewater treatment as provided for in this Declaration) or unless a majority of the members vote, at a Special Meeting of the Association, to not dissolve the Association.

D. Notwithstanding anything to the contrary contained herein, the Declarant shall retain the right and authority and the Association and all owners of lots subject to this Declaration, hereby grant authority to the Declarant and its assigns, the right and power to act on their behalf for the purpose of and in furtherance of the dedication of streets in this subdivision. The Association and lot owners agree that those streets and rights of ways shown on the recorded plats referred to in this Declaration or any amendment hereto may, without further approval or the joinder of the said lot owners, be dedicated to the State of North Carolina Department of Transportation or any political subdivision of the State of North Carolina or any governmental entity or authority created for by governmental action for the purpose of, but not limited, holding title to such property for the purpose of roads, streets or utilities.

The Association and the lot owners also agree that any dedication of the streets may be undertaken and may be effected by the Declarant and/ or its assigns. Such act of the Declarant and/or its assigns, shall have the effect to dedicate those streets and rights of ways shown on the recorded plats referred to in this Declaration or any amendment hereto may, without further approval or the joinder of the Association or said lot owners.

22.1. ASSOCIATION AND MANAGEMENT: Management of the affairs of the Association shall be the right and responsibility of the Board of Directors of the Association provided, however, that subject to NCGS 47F-3-103(d), Declarant shall appoint and remove all members of the Board

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

of Directors and officers, until the end of the period of Declarant control. Declarant Control shall end, at the earlier of:

- A. The sale of the last Lot by Declarant in the subdivision.
- B. On that date which is ten (10) years from the date of the recording of this document.

23. COVENANTS FOR MAINTENANCE ASSESSMENTS:

A. Creation of the Lien and Personal Obligations of Assessment: All expenses of the association shall be, and for purposes of assessments, the common expense liability shall be assessed against the lots are to be allocated equally among all lots. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed, therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- (1) annual assessments or charges;
- (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided;
- (3) to the appropriate governmental taxing authority, a pro rata share of ad valorem taxes levied against the Common Area if the Association shall default in the payment therefor for a period of six (6) months, all as hereinafter provided.

The annual and special assessments, together with interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs, and reasonable attorneys' fees (as provided in North Carolina General Statutes §6-21.2) incurred by the Association in collecting delinquent assessments shall also be the personal obligation of the person or entity who was the Owner at the time when the assessment became due. The obligation of an Owner for delinquent assessments shall not pass to his successors or assigns in title.

B. Purpose of Assessments: The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties and for the improvements and maintenance, current and capital, of the Common Area, and specifically any storm water control or disposal improvements, and any roads which are or maybe become property of the Association.

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540

C. Minimum Annual Assessment: Upon the establishment of an association, the initial minimum annual assessment shall be \$ 125.00 per year. So long as there exists Declarant Control, the Declarant shall pay no dues or assessments but in lieu thereof the Declarant covenants and agrees to defray such deficit as may be required for maintenance up to the amount of the current operating budget.

D. Collection of Assessments: The Board of Directors shall fix the amount of the assessment against each lot at least thirty (30) days in advance of the annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors of the Association and the Board of Directors shall have the authority to require the assessment to be paid in pro-rata monthly installments, quarterly and semi-annually as well as annually. 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.

E. Assessment Change: Should the Board of Directors at any time determine, in its sole discretion, that the assessments levied are or may provide to be insufficient to pay the costs of operation and management of the Association, or in the event of emergencies, the Board of Directors shall have the authority to levy such additional assessments as it may deem necessary.

F. Remedies for Non-Payment of Assessments: Any assessment which are not paid when due shall be delinquent. The assessment shall bear interest from the due date at the rate established by the Board of Directors of the Association, or if not set by the Board, at the highest rate allowed by law, together with such late fees as may be set by the Board. The Association shall file a lien of record against any lot where there remains an assessment unpaid for a period of thirty (30) days or longer. Said lien shall be filed in the office of the clerk of superior court of Onslow County in a manner provided therefor by Article 8 of Chapter 44 of the North Carolina General Statutes. No Owner may waive or otherwise escape liability for the assessments provided for herein by the non-use of the Common Area or abandonment of his dwelling unit or site.

The Association may bring an action at law against the Owner personally obligated to pay any assessments and interest. Costs and reasonable attorneys' fees for the prosecution of any such action shall be added to the amount of such assessment. In the event of such action at law and in the further event that such action results in a judgment being entered against the Owner and in favor of the Association, then, and in that event, the Association shall collect on such judgment in such manner and to the extent provided and permitted by the laws of the State of North Carolina.

The Association's lien may be foreclosed in like manner as a mortgage on real estate under power of sale under Chapter 45 of the North Carolina General Statutes. All fees, charges, late charges, fines, and interest are enforceable as assessments.

In any foreclosure action brought under the power of sale provisions, the Association shall be deemed to be the holder and owner of the obligation secured by this Declaration. The Registered

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Agent of the Association shall be the Trustee for all purposes of the foreclosure proceeding and the Association shall have the power to appoint a substitute trustee if for any reason the Association desires to replace the trustee, and the said substitute trustee shall succeed to all rights, powers and duties thereof. The Association shall request of the trustee to sell the land subject to the lien at public action for cash, after having first given such notice and advertising the time and place of such sale in such manner as may then be provided by law for mortgages and deeds of trust, and upon such and resales and upon compliance with the law then relating to foreclosure proceedings under power of sale to convey to the purchaser in as full and ample manner as authorized by Chapter 45. The Trustee shall be authorized to retain an attorney to represent him in such proceedings. The proceeds of the Sale shall, after the Trustee retains his commission, together with any addition attorney's fees incurred by the Trustee, be applied to the costs of the sale, including but no limited to costs of collection, taxes assessment, costs of recording, service fees, and incidental expenditures, the amount due on any note secured by the property, and any advancements made by the Association in the protection of the security.

G. Effect of Default in Payment of Ad Valorem Taxes of Assessments for Public Improvement by Association: Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or assessments for public improvements to the Common Area, which default shall continue for a period of six (6) months, each owner of a Lot in the development shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Lots in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien subject to the lien of the governmental authority levying said ad valorem taxes on the Lot of the then owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the owner.

H. Subordination of the Lien to Mortgages: The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage. Sale or transfer of any Lot shall not affect the assessment line. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which become 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

I. Rights of Mortgagees: (1) Notice of action: A holder or insurer of a mortgage, upon written request to the Owners Association (such request to state the name and address of such holder or insurer and the description of secured properties) will be entitled to timely written notice of:

- (1) Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage.

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- (2) Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot upon which it holds a mortgage.
- (3) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Owners Association.
- (4) Any proposed amendment to the project instruments effecting a change in the boundaries of any Lot, ownership of Common Elements, if any, the number of votes in the Owners' Association pertaining to any Lot or any proposed change in the restrictions on the properties.

24. ARCHITECTURAL CONTROL COMMITTEE:

A. Except for original and initial construction and subsequent modification of improvements by the Declarant on any Lot which such construction is and shall be exempt from the provisions of this provision, no building, wall, fence, landscaping, berm or hedge which act as a fence or privacy inducing structure, pier, dock, ornamentation, or other structure or improvements of any nature shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping as may be required by the Architectural Control Committee have been approved in writing by the Architectural Control Committee.

Each building, wall, fence or other structure or improvements of any nature, together with any ornamentation or landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved.

Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval. The Architectural Control Committee shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

B. (1) The Architectural Control Committee shall make all efforts to cooperate with the owner or agent in effecting a prompt and reasonable response to any submission. Within thirty (30) days after receipt of all required information, the Architectural Control Committee shall submit in writing to the owner of the lot a response stating whether or not the requested improvements are approved. Unless a response is given by the Architectural Control Committee within thirty (30) days, the plan shall be deemed approved. The response of the Architectural Control Committee may be an approval, a denial, an approval with conditions or a request for additional information. A request for additional information shall be deemed a determination that the information submitted was inadequate and the 30 day time period for response shall only commence upon the receipt of the requested additional information. Conditional approvals may be granted and if approval with conditions is granted and thereafter construction begins, the construction shall be deemed approved by the owner of the lot of the conditions imposed.

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(2) Action of the Architectural Control Committee may be based upon any reasonable ground, including aesthetic grounds. Requirements of any governmental authority shall not be considered by the Committee.

(3) The Architectural Control Committee shall make the following affirmative findings before any plans are approved:

- (a) That the improvements sought to be constructed will not have a negative economic impact on any other lot within the subdivision.
- (b) That all required specific buildings standards and other conditions contained within the Restrictive Covenants, By Laws and other subdivision documents have been met.
- (c) That the improvements are architecturally compatible with proposed or constructed improvements on other lots within the subdivision.
- (d) That the natural features of the lot have been retained to the maximum extent possible.

C. The paint, coating, stain and other exterior finishing colors on all buildings may be maintained as that originally installed, without prior approval of the Architectural Control Committee, but prior approval by the Architectural Control Committee shall be necessary before any such exterior finishing color is changed.

D. Until such time as the sale of the last numbered lot in the subject property is evidenced by the recordation of a deed therefore, all rights, privileges, powers and authority granted herein to the initial Architectural Control Committee, to whom the specific power to act hereunder is expressly conveyed, shall be exercised by Declarant, its successors or assigns. In the event of the dissolution of Declarant or the failure of Declarant to specifically assign the rights, privileges, powers and authority hereunder prior to the sale of the last numbered lot in the subdivision known as the subject property, then any owner may provide notice to each owner by registered mail of a meeting to be held not less than thirty (30) days thereafter, where the owners may elect, by a majority vote of those present and a quorum having been obtained, an Architectural Control Committee. The said committee shall be composed of three (3) owners and who shall serve until the next meeting. At any time after the initial meeting, the individual owners of record of three (3) lots may call a meeting to be held after thirty (30) days notice by registered mail to all of the other said lot owners of record, and may elect a new Architectural Control Committee, fill any vacancies on the Architectural Control Committee, or remove the members of the existing Architectural Control Committee. A quorum for any meeting of individual lot owners shall be the owners of at least ten percent (10%) of the lots in the subdivision known as the subject property.

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E. A majority of the Architectural Control Committee may take any action said Committee is empowered to take, may designate a representative to act for the Architectural Control Committee, and may, upon the approval of the Board of Directors, employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Control Committee, the remaining members shall have full authority to designate a successor. The members of the Architectural Control Committee shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Control Committee may establish a fee to cover the expense of reviewing plans and related data at the time plans are submitted for review in order to compensate any consulting architects, landscape architects, urban designers or attorneys.

F. Any requirement for registered mail service shall be complied with by mailing said notice to the address shown on the county tax records for the respective lot owner.

25. EASEMENTS:

A. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the rear ten (10) 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 a 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.

B. The grantor reserves for itself, its successors or assigns, an easement and right at any time in the future to grant a right of way under, over and along ten (10) feet off 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 sewer services.

C. For a period of two (2) years from the date of conveyance of the first Lot in a Parcel, the Declarant reserves a blanket easement and right of way on, over and under the ground within a Parcel to maintain and correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary. Following such action the Declarant shall restore the affected property to its original condition as near as practical. The Declarant shall give reasonable notice of its intent to take such action to all affected Owners, unless in the opinion of the Declarant an emergency exists which precludes such notice. At the expiration of such two (2) year period, said easement to correct drainage shall automatically be held by the Association.

26. OWNER'S EASEMENT OF ENJOYMENT:

A. Every Owner shall have a right and easement of enjoyment in and to the

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Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (1) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (2) the right of the Association to limit the number of guests of members;
- (3) the right of the Association to suspend the voting right and to use the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (4) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by fifty-one percent (51 %) of each class of members agreeing to such dedication or transfer has been recorded.
- (5) the right of individual Owners to the exclusive use of parking spaces as provided in this article.
- (6) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area.

B. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

27. GENERAL PROVISIONS:

A. 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 (20) years from the date these covenants are recorded, after which time such covenants shall be automatically extended for successive periods of ten (10) years.

B. Enforcement: In the event of a violation or breach of any of these restrictions, covenants, agreements and conditions by any person or concern claiming by, through or under the undersigned, or by virtue of any judicial proceedings, the Association, its successors and assigns and

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the owners of the number lots in the subdivision, or any of them, jointly or severally, shall behave the right to proceed at law or in equity to compel compliance with the terms thereof or to prevent the violation or breach of any of them. Costs and reasonable attorney fees shall be recoverable by the Association as part of any judgment or order to enforce these Restrictive Covenants. The failure to enforce any right, reservation, restriction or condition contained herein, however long continued, shall not be deemed a waiver of the right to do so thereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement.

C. **Remedies Extended to the State of North Carolina:** To ensure that this subdivision is maintained consistent with the laws of the State of North Carolina, the State of North Carolina is specifically empowered to take such acts necessary by and through its officers to enforce any of these covenants against an Owner or the Association. The State of North Carolina is specifically made a beneficiary of these covenants.

D. **Modification of Restrictive Covenants:** 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 Declarants or their successors in title and by the owner 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 Declarants own sixty percent (60%) or more of the subdivided lots, the Declarants may alter or amend these covenants without consent of anyone.

E. **Severability:** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

28. **ANNEXATION:** Declarant, for itself and its successors and assigns, reserves the right to access and service other portions of property belonging to Declarant or other property designated by Declarant using the streets and the water and sewer systems shown on the recorded map or lying within the subdivision and reserves the right to grant access for the purposes of ingress, egress, regress and the installation and maintenance of utilities and further subdivision over the streets shown on the recorded map and to the water and sewer systems within the subdivision to any area outside the subdivision to which Declarant deems such grant desirable. Declarant reserves the right to annex additional portions of its property located in the area of the subdivision into this Subdivision and to make such additional property subject to the Restrictions herein provided. In the event Declarant does so, the owners of such additional property and the owners of the lots in this subdivision shall have identical rights and duties. Any such annexation(s) shall be evidenced by a written instrument of annexation recorded in the Office of the Register of Deeds of Onslow County, which refers to this instrument.

29. **TRANSFER BY DECLARANT:** The Declarant, by written and recorded instrument specifically referring to the provisions of this document, may transfer to a subsequent owner of the property now owned by Declarant in the general area of the Subdivision, any of the rights herein reserved by Declarant.

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IN WITNESS WHEREOF, as the above date, Grantor (whether person, corporation, limited liability company, general partnership, limited partnership, or other entity) has signed this instrument in the ordinary course of business, by the signature(s) below if its duly authorized representative(s), as the act of such entity.



CECIL DAVIS (SEAL)

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825 Gum Branch Road, Suite 115, Jacksonville, NC 28540
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Onslow County
North Carolina

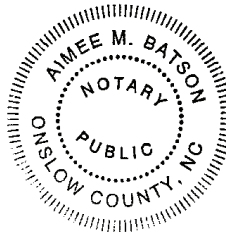
I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated above: CECIL DAVIS

Date: October 2, 2009

Aimee M. Batson
(Official Signature of Notary)

Aimee M. Batson, Notary Public
(Notary's printed or typed name)

(Official Seal)
My commission expires: 5/28/12



R:\RESCOV/SF/S PHASE SA ROAD ONLY 042707.WPD
K:\HOA\KANTON RIDGE\RC KANTON RIDGE V-A OFFSITE 090709\090909
K:\HOA\Kanton Ridge V\RC Kanton Ridge V-A offsite REV 092909.wpd

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EXHIBIT A

Kantor Ridge Scot II Built Upon ALCA.

Lot		Sq Built Upon ALCA
1)	0.78 AC - 33,976 SQ FT	8,494
2)	0.42 18,295	4,573
3)	0.35 15,246	3,811
4)	0.45 19,602	4,900
5)	0.44 19,166	4,791
6)	0.41 17,860	4,465
7)	0.42 18,295	4,573
8)	0.42 18,295	4,573
9)	0.36 15,682	3,920
22)	0.99 43,124	10,781
23)	0.85 37,026	9,256
24)	0.47 20,473	5,118
25)	0.45 19,602	4,900
26)	1.02 44,431	11,107
27)	0.67 29,185	7,296
28)	6.17 268,765	67,191
29)	0.46 20,037	5,009
30)	0.41 17,860	4,465

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NORTH CAROLINA

ONSLow COUNTY

1999 MAR 17 PM 4:13

COVENANTS

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS, made this 16 day of March, 1999, by CR PROPERTIES, a North Carolina Partnership, of the State of North Carolina, hereinafter called "Declarant" to KANTON RIDGE, SECTION V-B;

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article II of this declaration and desires to create thereon a residential community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community; and to this end desires to subject the real property described in Article II to the covenants, restrictions, and easements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

NOW THEREFORE, the Declarant declares that the real property described in Article II, shall be transferred, sold conveyed and occupied subject to the covenants restrictions, and easements (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

Article I

DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

- (a) "The Properties" shall mean and refer to all lands described herein, as are subject to this Declaration or any Supplemental Declaration, under the provisions of Article II hereof.
- (b) "Original Lot" shall mean and refer to any plot of land shown upon any original recorded subdivision map of the Properties.
- (c) "Owner" shall mean and refer to the legal or equitable owner whether one or more persons or entities holding any original lot, whether such ownership be in fee simple title or as land contract vendee, and shall not mean or refer to a mortgage.

Article II

PROPERTY SUBJECT TO THIS DECLARATION

Being all of KANTON RIDGE, SECTION V-B, as per Map recorded in Map Book 37, Page 147 (Slide K-134), Onslow County Registry, reference to which Map is hereby made for a fuller and more exact description.

Article III

BUILDING AND USE LIMITATIONS

Section 1. All lots as described in Article II hereof shall be limited to RESIDENTIAL use. No building shall be erected, altered place or permitted to remain on any residential lot other than a one family dwelling and private garages or out buildings incidental thereto. Provided, however, the Declarant shall have the right and privilege to use homes built by it as model homes from which to conduct sales operations of the remaining homes of The Properties.

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All dwellings must have a minimum enclosed living area of 1,200 square feet, however a 10 % variance is allowed, exclusive of open porches or attached garages. No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuilding shall be occupied or stored on any residential lot or abutting street either temporarily or permanently.

No building shall be located on any lot nearer to the front line or nearer to the side street line than the minimum set back lines shown on the recorded plat or nearer to an interior lot line than eight (8) feet or nearer a rear lot line than ten (10) feet. For the purposes of this covenant, eaves, steps and open porches shall not be a part of a building; provide, 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 (10) percent in the location of a building on the lot with respect to the minimum building lines and side and rear setback lines shall not be considered a violation of this covenant.

No sign or any kind of advertising device shall be displayed to the public view on any lot except one sign of not more than one (1) foot square with name and address of owner, other than a "for sale" sign by the owner or his agent of not more than three (3) square feet.

Section 2. 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. No junk cars, that is cars not in use, or any other kind of trash shall be allowed to accumulate or remain on The Properties. No animals, livestock or poultry of any kind shall be raised or kept on any lot except dog, cats or other household pets, provided that they shall not be so maintained for any commercial purpose.

Trash, garbage or any other waste material shall be kept in sanitary containers. Equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All fuel tanks shall be underground or adequately concealed. All structures intended for occupancy must be equipped with inside plumbing facilities. All sanitary plumbing, septic tanks, wells, and disposal of waste, shall conform with the minimum requirements of and be approved by the Health Department of Onslow County, North Carolina.

Section 3. Easements are reserved unto the Declarant for the purpose of conveying to public utility companies the necessary easements for utilities along the front, side, and rear lines of all lots in the subdivision for the construction and perpetual maintenance of conduits, poles, wires, and fixtures for electric lights, telephones and other public and quasipublic utilities and drainage and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such lines, with right of ingress to and egress from and across said premises to employees of said utilities.

Easements for installation and maintenance of utilities and drainage facilities are reserved over the rear and side ten (10) 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.

No fence, wall, hedge or shrub planting which obstructs sight distance lines at elevations between two and six feet above the roadways shall be place or permitted to remain on any corner lot within the triangular area as shown by the typical sight distance at the street intersections as shown on the recorded plat. Nothing shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 4. No lot as shown by the recorded map of the above lots shall be re-subdivided unless such part of the subdivided lot becomes a part of a whole lot, and the remainder of the subdivided lot becomes a part or another whole lot.

Section 5. The purpose of the foregoing Building and Use Limitations is to insure the use of the properties for attractive residential uses, to prevent nuisances, to prevent impairment

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of the attractiveness of the property, to maintain the desirability of the community and thereby secure to each owner the full benefits and enjoyments to his home with no greater restrictions upon the free and undisturbed use of his property than are necessary to insure the same advantages to other owners.

ARTICLE IV

GENERAL PROVISIONS

Section 1. **Underground Wiring and Street Lights.** Declarant, or its assigns, reserves the right to subject the real property described herein to a contract with Electrical Utility Company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to the Electrical Utility Company by the owner of each home.

Section 2. The covenants and restrictions of the Declaration 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 their 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, as recorded in the Office of the Register of Deeds of Onslow County, North Carolina. If the Declarant own sixty percent (60%) or more of the subdivided lots, the Declarant may alter or amend these covenants without consent of anyone.

Section 3. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Declarant, or the owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then owners of sixty percent (60%) of the subdivided lots has been recorded, agreeing to change said Covenants and Restrictions in whole or in part.

Section 4. Any notice required to be sent to any owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as an owner on the records of the Declarant at the time of such mailing.

Section 5. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and failure by the Declarant or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 6. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 7. No more than 9412 square feet of any lot, including that portion of the right-of-way between the edge of pavement and the front line, shall be covered by impervious structures, including asphalt, gravel, concrete, brick, stone, slate or similar material, not including wood decking or the water surface of swimming pools. This covenant is intended to ensure continued compliance with the stormwater permit issued by the State of North Carolina. The covenant may not be changed or deleted without the consent of the state.

No one may fill in or pipe any roadside or lot-line swale, except as necessary to provide a minimum driveway crossing.

IN TESTIMONY whereof CR PROPERTIES, by and through its partners, has executed this document the day and year first above written.

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CR PROPERTIES, a North Carolina Partnership by:

Cecil G. Davis (SEAL)
CECIL G. DAVIS, Partner

[Signature] (SEAL)
ROGER D. TAYLOR, Partner

NORTH CAROLINA
ONSLow COUNTY

I, a notary public do hereby certify that CECIL G. DAVIS and ROGER D. TAYLOR personally came before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16 day of March, 19 99.

Elizabeth M. Martin
Notary Public

My Commission Expires: 1/17/2001



1532 PAGE 17 MAR 13

NORTH CAROLINA, ONSLOW COUNTY Elizabeth M. Martin
The foregoing certificate(s) of _____

Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 1532 Page 591 This 17th day of March, 19 99 A.D. at 4:13 o'clock P. M. By Michael M. Shonaw Register of Deeds, ONSLOW COUNTY

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NORTH CAROLINA

ONSLow COUNTY

1999 MAR 17 PM 4:13

COVENANTS

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS, made this 16 day of March, 1999, by CR PROPERTIES, a North Carolina Partnership, of the State of North Carolina, hereinafter called "Declarant" to KANTON RIDGE, SECTION VI;

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article II of this declaration and desires to create thereon a residential community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community; and to this end desires to subject the real property described in Article II to the covenants, restrictions, and easements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

NOW THEREFORE, the Declarant declares that the real property described in Article II, shall be transferred, sold conveyed and occupied subject to the covenants restrictions, and easements (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

Article I

DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

- (a) "The Properties" shall mean and refer to all lands described herein, as are subject to this Declaration or any Supplemental Declaration, under the provisions of Article II hereof.
- (b) "Original Lot" shall mean and refer to any plot of land shown upon any original recorded subdivision map of the Properties.
- (c) "Owner" shall mean and refer to the legal or equitable owner whether one or more persons or entities holding any original lot, whether such ownership be in fee simple title or as land contract vendee, and shall not mean or refer to a mortgage.

Article II

PROPERTY SUBJECT TO THIS DECLARATION

Being all of KANTON RIDGE, SECTION VI, as per Map recorded in Map Book 37, Page 148 (Slide K-135), Onslow County Registry, reference to which Map is hereby made for a fuller and more exact description.

Article III

BUILDING AND USE LIMITATIONS

Section 1. All lots as described in Article II hereof shall be limited to RESIDENTIAL use. No building shall be erected, altered place or permitted to remain on any residential lot other than a one family dwelling and private garages or out buildings incidental thereto. Provided, however, the Declarant shall have the right and privilege to use homes built by it as model homes from which to conduct sales operations of the remaining homes of The Properties.

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All dwellings must have a minimum enclosed living area of 1,200 square feet, however a 10 % variance is allowed, exclusive of open porches or attached garages. No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuilding shall be occupied or stored on any residential lot or abutting street either temporarily or permanently.

No building shall be located on any lot nearer to the front line or nearer to the side street line than the minimum set back lines shown on the recorded plat or nearer to an interior lot line than eight (8) feet or nearer a rear lot line than ten (10) feet. For the purposes of this covenant, eaves, steps and open porches shall not be a part of a building; provide, 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 (10) percent in the location of a building on the lot with respect to the minimum building lines and side and rear setback lines shall not be considered a violation of this covenant.

No sign or any kind of advertising device shall be displayed to the public view on any lot except one sign of not more than one (1) foot square with name and address of owner, other than a "for sale" sign by the owner or his agent of not more than three (3) square feet.

Section 2. 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. No junk cars, that is cars not in use, or any other kind of trash shall be allowed to accumulate or remain on The Properties. No animals, livestock or poultry of any kind shall be raised or kept on any lot except dog, cats or other household pets, provided that they shall not be so maintained for any commercial purpose.

Trash, garbage or any other waste material shall be kept in sanitary containers. Equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All fuel tanks shall be underground or adequately concealed. All structures intended for occupancy must be equipped with inside plumbing facilities. All sanitary plumbing, septic tanks, wells, and disposal of waste, shall conform with the minimum requirements of and be approved by the Health Department of Onslow County, North Carolina.

Section 3. Easements are reserved unto the Declarant for the purpose of conveying to public utility companies the necessary easements for utilities along the front, side, and rear lines of all lots in the subdivision for the construction and perpetual maintenance of conduits, poles, wires, and fixtures for electric lights, telephones and other public and quasipublic utilities and drainage and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such lines, with right of ingress to and egress from and across said premises to employees of said utilities.

Easements for installation and maintenance of utilities and drainage facilities are reserved over the rear and side ten (10) 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.

No fence, wall, hedge or shrub planting which obstructs sight distance lines at elevations between two and six feet above the roadways shall be place or permitted to remain on any corner lot within the triangular area as shown by the typical sight distance at the street intersections as shown on the recorded plat. Nothing shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 4. No lot as shown by the recorded map of the above lots shall be re-subdivided unless such part of the subdivided lot becomes a part of a whole lot, and the remainder of the subdivided lot becomes a part of another whole lot.

Section 5. The purpose of the foregoing Building and Use Limitations is to insure the use of the properties for attractive residential uses, to prevent nuisances, to prevent impairment

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of the attractiveness of the property, to maintain the desirability of the community and thereby secure to each owner the full benefits and enjoyments to his home with no greater restrictions upon the free and undisturbed use of his property than are necessary to insure the same advantages to other owners.

ARTICLE IV

GENERAL PROVISIONS

Section 1. **Underground Wiring and Street Lights.** Declarant, or its assigns, reserves the right to subject the real property described herein to a contract with Electrical Utility Company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to the Electrical Utility Company by the owner of each home.

Section 2. The covenants and restrictions of the Declaration 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 their 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, as recorded in the Office of the Register of Deeds of Onslow County, North Carolina. If the Declarant own sixty percent (60%) or more of the subdivided lots, the Declarant may alter or amend these covenants without consent of anyone.

Section 3. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Declarant, or the owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of twenty years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then owners of sixty percent (60%) of the subdivided lots has been recorded, agreeing to change said Covenants and Restrictions in whole or in part.

Section 4. Any notice required to be sent to any owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as an owner on the records of the Declarant at the time of such mailing.

Section 5. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and failure by the Declarant or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 6. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 7. No more than 6468 square feet of any lot, including that portion of the light-of-way between the edge of pavement and the front line, shall be covered by impervious structures, including asphalt, gravel, concrete, brick, stone, slate or similar material, not including wood decking or the water surface of swimming pools. This covenant is intended to ensure continued compliance with the stormwater permit issued by the State of North Carolina. The covenant may not be changed or deleted without the consent of the state.

No one may fill in or pipe any roadside or lot-line swale, except as necessary to provide a minimum driveway crossing.

IN TESTIMONY whereof CR PROPERTIES, by and through its partners, has executed this document the day and year first above written.

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CR PROPERTIES, a North Carolina Partnership by:

Cecil G. Davis (SEAL)
CECIL G. DAVIS, Partner

Roger D. Taylor (SEAL)
ROGER D. TAYLOR, Partner

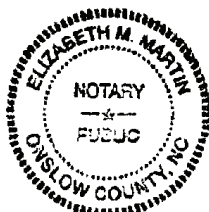
NORTH CAROLINA
ONSLow COUNTY

I, a Notary Public do hereby certify that CECIL G. DAVIS and ROGER D. TAYLOR personally came before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16 day of March, 19 99.

Elizabeth M. Martin
Notary Public

My Commission Expires: 1/17/2001



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NORTH CAROLINA, Onslow County Elizabeth M. Martin
The foregoing certificate of

Notary Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 1532 Page 595 This 17th day of March

19 99 A.D. at 4:13 o'clock P. M.
Elizabeth M. Martin By _____
Notary Public Register of Deeds, Onslow County