WINDWARD SHORES

Owned and Developed By
Windward Development Company, Inc.
A Virginia Corporation

DECLARATION OF PROTECTIVE COVENANTS

This Declaration of Protective Covenants (the "Covenants") is made as of January 15, 1991 by Windward Development Company, Inc., a Virginia Corporation (the "Developer").

WHEREAS:

A. The Developer is the owner of a tract of real property with improvements thereon and appurtenances thereunto be1onging, which appurtenances expressly include an access and utility easement thereto, situate in Northampton County, North Carolina, specifically described in Article II of this Declaration (the "Property"), which it has subdivided or will subdivide into residential recreational lots with streets and limited facilities for the beneficial use and enjoyment of its guests and subsequent lot owners; and

B. To preserve the values and promote the amenities of the Properly and to provide for the administration, operation and maintenance of the streets and roadways and other designated common use areas, (the "Common Property"), it desires to subject the Property to certain restrictions, easements, and liens which it deems beneficial for the Property and for the subsequent purchasers and owners thereof; and

C. It has Incorporated Windward Shores Property Owners Association, Inc., a Virginia nonstick, nonprofit corporation (the "Association") to which it hereby delegates and assigns the duty and the power:
   1. To maintain, administer and operate the Common Property;
   2. To administer and enforce the Covenants;
   3. To collect and disburse the dues and assessments mentioned in the later provisions of the Covenants: and
   4. To perform such other acts or duties as may or might be required, necessary or desired, to the end that the value of the Property and the welfare of the property owners and their guests will be promoted, protected and maintained.

NOW, THEREFORE, the Developer declares that the Property and the lots hereinafter defined. shall be held, sold, and conveyed by it and shall be owned, occupied, used, and enjoyed by the subsequent purchasers thereof, their successors and assigns, subject to the restrictions, reservations, easements, liens, assessments and encumbrances herein mentioned, together with any amendments and/or additions thereto subsequently incorporated herein by reference.

ARTICLE I
DEFINITIONS

Section 1. The following words, when used in the Covenants (unless the context shall prohibit) shall have the following meaning:

(a) "*The Association"* shall mean and refer to Windward Shores Property Owners Association, Inc., a Virginia corporation.
(b) *"The Property"* shall mean and refer to all lands and easements described in Article II. hereof.
(c) *"Clerks Office"* shall mean and refer to the Clerks Office of the Circuit Court of Northampton County, North Carolina.
(d) *"Register's Office"* shall mean and refer to the Office of the Register of Deeds of Northampton County, North Carolina.
(e) *"Original Lot"* shall mean any plot of land shown on: the subdivision map of the Property of portion thereof now or hereafter recorded in the Clerk s Office or the Register s Office.
(f) *"Residential Lot"* is. any lot specifically designated by letter or number on any subdivision plat of the real property described in Article II (A). The Original Residential Lots (the Lots') shall be used exclusively for single family residential purposes.
(g) *"Owner"* shall mean and refer to the person or entity, including the Developer, having a legal or equitable interest in any Lot whether or not such interest is acquired by Deed or Contract.
(h) *"Legal Entities"* shall include, but shall not be limited to corporations, partnerships, associations, churches, governmental agencies, municipalities, counties, states, or the United States of America, or any agency or political subdivision of either.
(i) *"Member"* shall refer to those association members as provided in Article III, Sections 1 and 2 of the Covenants
(j) *"Common Properties"* shall mean and refer to those designated areas within the subdivision including the streets or roadways and the access easements mentioned in Article II (B), devoted to the common use and enjoyment of the Owners of Residential Lots whether title is held by the Developer or the Association.
(k) *"Set Back Line"* shall mean and refer to the building set back line of each Residential Lot shown on the recorded subdivision plat or as provided in Article V, Section 3 of the Covenants.

ARTICLE II

A. PROPERTY SUBJECT TO THE COVENANTS

All those certain parcels of real property situate in Northampton County, North Carolina, more particularly described as:

TRACT ONE

That certain tract or parcel of land being situate in Gaston Township, Northampton County, North Carolina, and beginning at a Concrete Monument on the south side of State Route 1214, said monument being located east of the centerline intersection of State Route 1217 at the Henrico Post Office a distance of 488 feet, more or less, at the northeast corner of lands belonging to Mary King Moody:

THENCE with and along the south side of a 100-ft right of way for SR 1214, South 82 degrees 44 minutes *53* seconds East for a distance of 67.04 feet to a point and South 85 degrees 37 minutes 10 seconds East for a distance of 178.66 feet to a 1-1/4" Iron Pipe at the center of a small branch at the northwest corner of properties now or formerly belonging to Walter David Powell:

THENCE leaving the highway with and along a small branch and the line of Walter David Powell. South 47 degrees 22 minutes 00 seconds East for a distance of *161.57* feet and South 18 degrees 11 minutes 13 seconds East for a distance of *87.25* feet and South 36 degrees 47 minutes *53* seconds East for a distance of 72.61 feet and South 55 degrees 38 minutes 19 seconds East for a distance of 65.02 feet and South *85* degrees 36 minutes 37 seconds East for a distance of 53.90 feet and South 70 degrees 38 minutes 40 seconds East for a distance of *274.05* feet and South 56 degrees 53 minutes 46 seconds East for a distance of *237.59* feet and South 24 degrees 19 minutes 10 seconds East for a distance of 84.87 feet and North 80 degrees 53 minutes 35 seconds East for a distance of 72.48 feet to a 1-1/4" Iron Pipe in the run of Jimmies Creek:

THENCE down the run of Jimmies Creek South 29 degrees 48 minutes 03 seconds East for a distance of 53.85 feet to a point in the northern boundary of property belonging to Virginia Electric and Power Company, Gaston Lake:

THENCE leaving Jimmies Creek with and along the western boundary of Gaston Lake. South 69 degrees 42 minutes 01 seconds West for a distance of 26.73 feet to a 5/8" Iron Rod and South 06 degrees 39 minutes 34 seconds East for a distance of 377.37 feet and South 12 degrees 34 minutes 00 seconds West for a distance of 526.00 feet and South 02 degrees 35 minutes 00 seconds West for a distance of 633.40 feet and South 45 degrees 09 minutes 00 seconds West for a distance of 257.90 feet and South 19 degrees 10 minutes 00 seconds East for a distance of 151.10 feet to point:

THENCE continuing with and along the western boundary of Gaston Lake. South 35 degrees 04 minutes 00 Seconds West for a distance of 356.70 feet and South 62 degrees 05 minutes 00 seconds West for a distance of 119.30 feet and North 67 degrees 14 minutes 00 seconds West for a distance of 177.00 feet and North 18 degrees 08 minutes 00 seconds West for a distance of 207.00 feet and North 33 degrees 09 minutes and 00 seconds West for a distance of 87.90 feet and North 13 degrees 36 minutes 24 seconds West for a distance of 242.66 feet to a 5/8" Iron Rod and South 33 degrees 14 minutes 07 seconds West for a distance of 183.32 feet to a 5/8" Iron Rod:

THENCE continuing with and along the western boundary of Gaston Lake. South 22 degrees 53 minutes 06 seconds East for a distance of 204.63 feet and South 02 degrees 31 minutes 00 seconds East for a distance of 361.50 feet and South 58 degrees 48 minutes 00 seconds West for a distance of 145.00 feet and South 49 degrees 59 minutes 00 seconds East for a distance of 210.50 feet and South 21 degrees 58 minutes 00 seconds West for a distance of 141.60 feet and South 07 degrees 57 minutes 00 seconds East for a distance of 117.60 feet and South 09 degrees 20 minutes 00 seconds West for a distance of 227.80 feet to a 5/8" Iron Rod and South 43 degrees 28 minutes 20 seconds East for a distance of 11.49 feet to a 5/8" Iron Rod at the northeast corner of King Solomon Cove Subdivision:

THENCE with and along the northern line of King Solomon Cove Subdivision. South 75 degrees 23 minutes 32 seconds West for a distance of 280.00 feet to a 3/4" Iron Pipe:

THENCE leaving the line of King Solomon Cove Subdivision with a new made line through the properties of K & R Development. Inc.. North 11 degrees 39 minutes 36 seconds for a distance of 242.32 feet to a 3/4" Iron Pipe on the right of way for a 50-ft radius cul-de-sac at the end of Waterside Drive:

THENCE with and along the west and north rights of way for Waterside Drive a curve to the right with the cul-de-sac having a radius of 50.00 feet and an arc length of 115.19 feet. being subtended by a chord of North 09 degrees 05 minutes 00 seconds West for a distance of 91.35 feet to a 3/4" Iron Pipe at a Point of Tangent and North 03 degrees 05 minutes 00 seconds West for a distance of 1166.52 feet to a 3/4" Iron Pipe at a Point of Curvature and a curve to the right having a radius of 300.00 feet and an arc length of 471.24 feet. being subtended by a chord of North 41 degrees 55 minutes 00 seconds East for a distance of 424.26 feet to a 3/4" Iron Pipe at a Point of Tangent and North 86 degrees 55 minutes 00 seconds East for a distance of 404.69 feet to a 3/4" Iron Pipe at a Point of Curvature:

THENCE continuing with and along the north and west sides of the 50-ft right of way for Waterside Drive along a curve to the left with a radius of 222.17 feet and an arc length of 322.54 feet being subtended by a chord of North 45 degrees 19 minutes 30 seconds East for a distance of 294.96 feet to a 3/4" Iron Pipe at a Point of Tangent and North 03 degrees 44 minutes 00 seconds East for a distance of 977.72 feet to a 3/4" Iron Pipe at a Point of Curvature and along a curve to the right having a radius of 264.49 feet and an arc length of 129.85 feet, being subtended by a chord North 17 degrees 47 minutes 53 seconds East for a distance of 128.55 feet to a 3/4" Iron Pipe at a Point of Curvature on the west side of a 50-ft right of way for Waterside Drive:

THENCE along a curve to the left having a radius of 20.00 feet and arc length of 3l.42 feet, being subtended by a chord North 13 degrees 08 minutes 14 seconds West for a distance of 28.28 feet to a 3/4" Iron Pipe at a Point of Curvature on the south side of a 50-ft right of way for Windward Drive:

THENCE with and along the south side of Windward Drive along a curve to the right having a radius of 7290.62 feet and an arc length of 295.88 feet, being subtended by a chord North 56 degrees 58 minutes 27 seconds West for a distance of 295.86 feet to a. point at the northeast corner of Tract "A":

THENCE with the east line of Tract "A". South 03 degrees 44 minutes 00 seconds West for a distance of 6.81 feet to a Concrete Monument at a corner of the lands belonging to Mary King Moody:

THENCE with and long the line of Mary King Moody. and being the south line of Tract "A". North 60 degrees 43 minutes 38 seconds West for a distance of 107.67 feet to a 1-1/4" Iron Pipe and North 58 degrees 18 minutes 38 seconds West for a distance of 193.00 feet to a 1-1/4" Iron Pipe and North 47 degrees 03 minutes 38 Seconds West for a distance of 393.86 feet to a Concrete Monument on the south side of a 100-ft right of Way for State Route 12l4 at the northeast corner of the Mary King Moody property and at the point of beginning.

TOGETHER with and subject to all covenants, easements, and restrictions of record.

SAID property contains 41.11 acres more or less.

TRACT TWO

That certain tract or parcel of land being situate in Gaston Township. Northampton County. North Carolina. and beginning at a 5/8" Iron Rod at the northeast corner of property belonging to Virginia Electric and Power Company, Gaston Lake, and being North 69 degrees 42 minutes 01 seconds East a distance of 19.14 feet from the center of the run og Jimmies Creek and near the southwest corner of properties now or formerly belonging to Orelia H. Newberry in the center of an old road:

THENCE with and along the southern line of the Orelia H. Newberry property and the center of the old road South 86 degrees 41 minutes 41 seconds East for a distance of 52.93 feet and North 80 degrees 33 minutes 30 seconds East for a distance of 205.91 feet to a 1-l/2" Iron Pipe and North 85 degrees 27 minutes 58 seconds East for a distance of 195.52 feet to a 3/4" Iron Pipe at the northeast corner of Tract "C":

THENCE leaving the line of the Orelia H. Newberry property with a new made line through the properties of K & R Development, Inc., and along the east side of Tract "C". South 37 degrees 56 minutes 35 seconds West for a distance of 140.94 feet to a 3/4" Iron Pipe on a curve on the north side of a 50-ft right of way for Windward Drive:

THENCE with and along the north and east side of Windward Drive along a curve to the right with a radius of 255.00 feet and an arc length of 225.52 feet, subtended by a chord of South 26 degrees 43 minutes 16 seconds East for a distance of 218.24 feet to a 3/4" Iron Pipe at a Point of Tangent and South 01 degrees 23 minutes 08 seconds East for a distance of 811.24 feet to a 3/4" Iron Pipe at a Point of Curvature and along a curve to the left with a radius of 205.00 feet and an arc length of l75.32 feet, subtended by a chord of South 25 degrees 53 minutes 08 seconds East for a distance of l70.02 feet to a 3/4" Iron Pipe at a Point of Tangent:

THENCE continuing with and along the north and east side of a 50-ft right of way for Windward Drive. South 50 degrees 23 minutes 08 seconds East for a distance of 101.74 feet to a 3/4" Iron Pipe at a Point of Curvature and along a curve to the right with a radius of 255.00 feet and an arc length of 218.08 feet, subtended by a chord of South 25 degrees 53 minutes 08 seconds East for a distance of 211.49 feet to a 3/4" Iron Pipe at a Point of Tangent and on the property line of lands belonging to Champion International Corporation. and with the line of Champion International Corporation. South 01 degrees 23 minutes 07 seconds East for a distance of 117.05 feet to a 1-1/2" Iron Pipe in a branch at the southwest corner of Champion lands:

THENCE continuing with and along the east and south side of Windward Drive along a new made line through the properties of K & R Development, Inc.. South 01 degrees 23 minutes 08 seconds East for a distance of 331.21 feet to a 3/4" iron Pipe at a Point of Curvature and along a curve to the right having a radius of 50.00 feet and an arc length of 183.26 feet, subtended by a chord of South 43 degrees 36 minutes 53 seconds West for a distance of 96.59 feet to a 3/4" Iron Pipe at a Point of Tangent and South 88 degrees 36 minutes 52 seconds West for a distance of 146.72 feet to a 3/4" Iron Pipe at a Point of Curvature and along a curve to the left with a radius of 2ll.62 feet and an arc length of 273.87 feet, subtended by a chord of South 51 degrees 32 minutes 21 seconds West for a distance of 255.16 feet to a 3/4" Iron Pipe at a Point of Tangent and South 14 degrees 27 minutes 50 seconds West for a distance of 417.92 feet to a point:

THENCE on a new made line through the lands of K & R Development. Inc.. South 11 degrees 21 minutes 27 seconds West for a distance of 265.22 feet to a point in the line of properties now or formerly belonging to Bend, Inc., and thence with and along the line of Bend. Inc.. North 85 degrees 36 minutes 50 seconds West for a distance of 456.06 feet to a 5/8" Iron Rod in the east line of properties belonging to Virginia Electric and Power Company, Gaston Lake:

THENCE with and along the east line of Gaston Lake. north 12 degrees 33 minutes 54 seconds East for a distance of 161.61 feet and North 67 degrees 10 minutes 00 seconds East for a distance of 176.00 feet and North 44 degrees 48 minutes 00 seconds West for a distance of 205.20 feet and North 00 degrees 36 minutes 00 seconds West for a distance of 151.50 feet and North 60 degrees 14 minutes 00 seconds East for a distance of 301.10 feet and North 19 degrees 06 minutes 00 seconds West for a distance of 260.60 feet and North 16 degrees 08 minutes 00 seconds East for a distance of 170.30 feet and North 85 degrees 32 minutes 00 seconds East for a distance of 439.10 feet and North 75 degrees 26 minutes 00 seconds East for a distance of 233.00 feet to a 5/8" Iron Rod on a branch on the west right of way for Windward Drive;

THENCE continuing with and along the east side of Gaston Lake. North 81 degrees 42 minutes 47 seconds West for a distance of 439.32 feet and North 42 degrees 32 minutes 00 seconds West for a distance of 169.40 feet and North 09 degrees 55 minutes 00 seconds East for a distance of 256.70 feet and North 02 degrees 28 minutes 00 seconds West for a distance of 553.90 feet and North 27 degrees 24 minutes 00 seconds West for a distance of 190.90 feet and North 21 degrees 32 minutes 00 seconds East for a distance of 216.00 feet:

THENCE continuing with and along the line of Virginia Electric and Power Company on the east side of Gaston Lake. North 16 degrees 03 minutes 00 seconds West for a distance of 95.70 feet and South 28 degrees 12 minutes 00 seconds West for a distance of 91.80 feet to a 5/8" Iron Rod and North 10 degrees 26 minutes 56 seconds West for a distance of 242.03 feet to a 5/8" Iron Rod at the point of beginning.

TOGETHER with and subject to all covenants, easements, and restrictions of record.

SAID property contains 29.11 acres more or less.

B. RESERVATION OF RIGHTS – DEVELOPER

The Developer, its successors and assigns, at any time prior to January 15. 2001 shall have the right to add additional land to the subdivision and to bring such additional land into the scheme of and to subject such lands to the restrictions, provisions, reservations and conditions of the Covenants. The additional land shall be subject to assessment for its share of the maintenance costs and expense of the Common Property to include any additional Common Property or streets.

The additional land may he brought under he scheme of the Covenants by one or more amendments or supplements to the Covenants (the "Supplemental Declaration").

The Supplemental Declaration may contain such additions, or modifications to the Covenants as the Developer deems necessary to reflect the character of the additional land and shall expressly include the right to locate townhouses, co-ops, condominiums or time-sharing facilities upon such additional land. The Supplemental Declaration shall be effective when recorded in the Clerk's Office and/or Register's Office.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership.

There shall be but one class of membership in the Association. The Owner of each Residential Lot, as that term is defined in the Covenants, shall be a member of the Association.

Membership is restricted to the Developer, its successors or assigns and to those persons or legal entities who own one or more Residential Lots in the subdivision.

Section 2. Voting Rights.

Each Residential Lot includes as an appurtenance thereto one, but only one, vote in all corporate affairs which, in the case of joint ownership by two or more people or legal entities, shall be exercised as the co-owners shall determine.

In no event shall more than one vote be cast in any affairs of the Association with respect to any Residential Lot. The co-owners of each Lot shall designate the person entitled to vote at any meeting of the Association prior to or at such meeting. If no such designation is made the chairman of the meeting. in his sole discretion, may recognize one of the co-owners of the Lot and shall record the vote of such co-owner as the deemed representative of the owners.

Section 3. Proxy Votes.

Proxy votes are permitted at any regular or special meeting of the Members of the Association. Fifteen percent (15%) of the Residential Lot Owners represented in person or by proxy at any duly culled meeting of the membership shall constitute a quorum for the purpose of electing Directors and transacting such other business as may come before the meeting.

ARTICLE IV
PROPERTY RIGHTS IN COMMON PROPERTIES

Section l. Members Easement of Enjoyment.

Subject to provisions of Section 3. of this Article and Section 2. of Article III., each Residential Lot shall include as an appurtenance thereof membership in the Association and the right to the use and enjoyment of the Common Property.

Section 2. Title to and Control of Common Property

The Developer may retain title to and control of the Common Property or any portion thereof until, in its opinion, the Association is able to adequately maintain and operate the same provided, however, the Developer shall convey said Common Property to the Association and divest itself of control thereof not later than January 15. 2001. The Developer may. at any time. delegate and assign such functions, duties, and responsibilities to the Association pertaining to the maintenance and operation of the Common Property or portion thereof as it considers appropriate and conducive to the welfare of the community. The conveyance of the Common Property to the Association shall be made subject to the provisions of the Covenants.

Section 3. Limitation of Members' Interest in Common Property.

The Members' interest in the Common Property is, and shall remain, subject to the following:

(a) The right of the developer and Association to borrow money for the purpose of improving the Common Property and to encumber the Common Property as security for the debt. The members' rights and easements in the Common Property shall be subordinate to any Purchase Money Deed of Trust given by the Developer or the Association or any Deed of Trust given by the Developer or the Association as security for funds borrowed for any improvements to the Common Property whether or not any such Deed of Trust is in existence as of the date of this Declaration or is made by the Developer or the Association subsequent to the date hereof:
(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Properly against foreclosure;
(c) The right of the Association or Developer to levy special assessments or other fees for the use and maintenance of the Common Property in addition to the annual fees hereinafter established.

ARTICLE V
CONSTRUCTION AND USE LIMITATIONS

Section l. Residential Use and Construction Requirements. (Conventional or Prefab Construction).

(a) The Residential lots shall be used for single family residential purposes only. No lot may be re-subdivided for the purpose of making additional building sites.
(b) Excluding porches, garages, patios, carports and basements:
(1) Single family residences shall have a minimum of 1200 square feet enclosed final living area on the first or ground floor:
(2) Two story (above ground) single family residences shall contain a minimum of 1500 square feet enclosed finish living area:
(c) All building materials shall be new or structurally sound.
The exterior walls of all improvements shall be brick or wood or vinyl or masonite siding. No asphalt shingles, tarpaper, tin or similar building materials shall be used for the exterior walls of any improvements.
Concrete or similar blocks may be used for foundations but they shall not be employed as "above ground" exterior walls.
(d) All dwellings must have solid wall foundations.
(e) All structures shall be completed on the exterior and all grading, landscaping and seeding shall be complete within six months from commencement of construction.
(f) No temporary structures of any nature shall be erected, located, occupied, used or maintained on any lot.
(g) Boat houses, piers or floating docks will be permitted provided that such structures are maintained in safe and sanitary conditions at all times. Such structures shall be subject to the provisions of Section 4 of this article, and a permit must be obtained from North Carolina Power.

Section 2. Mobile Homes and Double Wides Prohibited.

No mobile homes or pre-fabricated double wide units shall be permitted on the Lots.

All residences constructed on the Lots shall be conventional "stick built", "panelized", or modular structures having a wood, brick, vinyl, or masonite siding exterior finish and a roof slope of not less than 5/12 nor less than a 12 inch overhang, the plans and specifications for which shall

be submitted to and approved by the Architectural Control Committee as provided by Article VI. infra until the Developer relinquishes its right of review and approval by a written permanent waiver filed of record in the Clerks Office and the Register's Office.

Section 3. Building Set Back Lines.

(a) Unless otherwise shown on the recorded subdivision plat or required by the current applicable county building code, minimum building set back lines are established as:
   a. Sidelines: l0 feet
   b. Front line (Street): 30 feet
   c. Rear line: 25 feet
(b) Set Back Lines, where shown on the recorded subdivision plat. shall supersede the foregoing and shall control building "set back".

Section 4. Location of Improvements

(a) Improvements proposed to Lots located in Northampton County. North Carolina, must be submitted to and approved by the Northampton County Health Department and/or the Building Inspector.
(b) Improvements proposed to any Lot in the subdivision must be submitted to and approved by the Architectural Control Committee of the Association and any agency of the federal, state, or local government that now has and any that may subsequently acquire jurisdiction in the premise.
(c) An individual Department of the Army permit will be required for land disturbing activity (e.g. mechanized land clearing, filling, excavation with fill) within wetlands on any lot. This permit must be obtained from the U.S. Army Corp of Engineers prior to initiation of any such fill activities.

Section 5. Advertising.

(a) The Developer, the Owners or the agents or representatives of either, may advertise lots for sale by use of one, on-site sign not larger than 2½ feet by 2½ feet. erected on the specific lot to which the sign relates.
(b) The Owner of any lot may display his name and/or address on one on-site sign not larger than one by two feet
(c) All signs shall be new and shall be properly and adequately maintained as to construction and appearance.
(d) The Developer may erect and maintain one sign of such size, type and description and for such duration as it may desire for general advertising purposes at the entrance to the subdivision.

Section 6. Livestock.

(a) No livestock, poultry, or animals shall be permitted in the subdivision except family household pets (dogs and cats). Household pets shall not be maintained for commercial purposes, and they shall not be permitted to interfere with the right of quiet enjoyment of other persons owning property in the subdivision.

Section 7. Garbage Containers.

(a) Trash, garbage, and other waste materials shall be kept in sanitary containers. Garbage cans and trash containers shall be kept in a clean, sightly, and sanitary condition.

Section 8. Fuel Containers.

(a) All fuel tanks and containers shall be buried or concealed from the public view including the view of other Owners in the subdivision.

Section 9. Plumbing Facilities.

(a) All dwellings shall be equipped with inside plumbing facilities which shall conform to the minimum requirements of and shall be approved by the Code Enforcement Officers of Northampton County, North Carolina and any other agent or agency of the federal, state, or local government that now has and any that may acquire jurisdiction in the premise.

Section 10. Building Permits.

(a) The Lot owner must obtain at his separate and sole expense a building/improvements permit from the Code Enforcement Officer of Northampton County, North Carolina in which the Lot is located before construction of improvements begins. Additionally, the lot owner must comply with all federal, state, or local regulations governing lot improvements whether they now exist or are enacted subsequent to these Covenants.

Section 11. Easements.

(a) Utility Easements: Each lot and each street or roadway is subject to the following easement reservation in addition to those shown on the recorded subdivision plat, which the Developer or the Association may convey to public or private utilities or public service companies for electric, telephone, water, sewer, or gas service to the subdivision.
   a. Sidelines: 10 feet
   b. Front line (Street): 20 feet
   c. Rear line: 20 feet

The easements may be used for the construction or maintenance of conduits, poles, wires, pipes or fixtures and shall include the right to trim or cut any trees, brush, shrubs or grass (Growth) which interferes, or threatens to interfere, with the construction or maintenance of the utilities whether or not such Growth is actually located upon or situate within the area above reserved. The utilities may be installed above or below the ground.

(b) Drainage and Access Easements. Each lot is subject to a drainage easement 10 feet wide which extends along the entire length of the front, side, and rear lines which easement is reserved unto the Developer, its successors or assigns.

A pipe of suitable size shall be laid at owner's expense in any drainage ditch crossed over for a lot entrance. Upon completion of any lot entrance, the easement crossed must be repaired and reseeded with grass at the owner's expense.

The Developer for it and its successors or assigns reserves the right to clear, grade, and maintain the drainage easement reserved herein, and as shown on the recorded subdivision plat, so as to afford physical ingress and egress over the easement area to and from the property within the subdivision or other property adjacent thereto.

ARTICLE VI
ARCHITECTURAL CONTROL COMMITTEE

Section 1. Review by Committee.

(a) No residence, outbuilding, fence, or wall shall be constructed or located on any Lot nor shall any addition, exterior change or modification to any existing structure be commenced until the plans and specifications therefor have been submitted to, and approved in writing, by the Association.

If no action is taken by the Association within sixty (60) days after submission of the plans and specifications, the request shall be deemed approved.

ARTICLE VII
UTILITIES

Section 1. Water.

A central water system will be installed in the subdivision from which water service will be provided. The water system will be owned by the Northampton County Water Department.

The hook-on fee and monthly rates will be set by the Northampton County Water Department which will have sole responsibility for collection of said rates. The Northampton County Water Department shall have the right to establish its rates: to meter each lot: and to charge a reasonable fee for water usage.

No fee shall be charged to the developer for any lot upon which no improvements have been made.

The hook-on fee shall be due and payable upon request for service. No service will be provided until the fee is paid in full.

The water system will provide fire protection to the community.

The water system will meet the minimum requirements of the State of North Carolina for single family domestic household purposes.

NO INDIVIDUAL WELLS, WATER SUPPLIES. OR SYSTEMS ARE PERMITTED ON ANY LOT OR ANY GROUP OF LOTS IN THE SUBDIVISION. WATER SERVICE SHALL BE OBTAINED SOLELY FROM THE CENTRAL SYSTEM.

ARTICLE VIII
SANITARY FACILITIES AND UTILITIES

Section 1. Privies Prohibited.

No outside toilet or privy shall be constructed or used on any Lot in the subdivision.

No untreated waste from any Lot shall be permitted to enter any stream, branch, creek, ditch, gully, or tributary thereof nor shall any such effluent be permitted to enter Lake Gaston.

Section 2. Septic Tanks.

Sanitary waste disposal is and shall be the responsibility of each Lot Owner. The Owners shall install and maintain, at their sole and separate expense, septic tanks and subsurface drain fields in strict compliance with the requirements of:

(a) Northampton County Health Department, Jackson, North Carolina.

(b) Any other governmental agency or political subdivision having jurisdiction in the premise.

Prior to the commencement of construction of the septic tank or drain field or any other improvements upon the property, the Owners must contact: Northampton County Health Department, Jackson, North Carolina and obtain an improvements permit for installation of the facilities. The local health officials are required to visit the Lot and establish the location of the septic tank and drain field in advance of construction.

ARTICLE IX
STREETS WITHIN THE SUBDIVISION

Section 1. Construction

The Developer has constructed or will construct all streets in the subdivision.

THE STREET CONSTRUCTION MAY OR MAY NOT CONFORM TO THE SPECIFICATIONS OF THE HIGHWAY DEPARTMENT OF THE STATE OF NORTH CAROL1NA. THE STREETS MAY OR MAY NOT BECOME DEDICATED OR MAINTAINED BY THE STATE OF NORTH CAROLINA. THEY MAY OR MAY NOT BECOME INCORPORATED INTO THE PUBLIC HIGHWAY SYSTEM OF THE STATE OF NORTH CAROLINA.

The streets will have a minimum dedicated right of way of 50 feet in width. They will be constructed and maintained to afford legal and physical all-weather access by conventiora1 vehicular and pedestrian traffic to each of the Lots.

The streets wi1l have a graded graveled wearing surface of a minimum depth of 6 inches and a minimum width of 20 feet.

The streets wi1l be topped with asphalt to a minimum depth of 1 inch and a minimum width of 18 feet. This will be done on or before January 15,1996.

Section 2. Ownership and Maintenance.

The streets will be owned and maintained by the Developer until January 15. 2001 or until such earlier date when, in the opinion of the. Developer, the Association is sufficiently established and is capable of assuming maintenance responsibility for the streets. On that date, or January 15 2001, whichever first occurs, the streets shall be conveyed to the Association which will then assume all future maintenance responsibility.

The annual assessments or such portion thereof as the Developer deems necessary and-proper shall be paid to it by the Association to defray the maintenance cost of the streets until the sole maintenance responsibility is transferred to the Association.

ARTICLE X
COVENANT FOR MAINTENANCE ASSESSMENT

Section 1. Creation of the Lien

Subject to the later provisions of this Article, an annual assessment (the "Assessment") is hereby established and levied on each residential lot.

The Assessment is hereby made. And shall remain a continuing lien on the Residential Lots.

In addition, the Assessment shall remain the personal obligation, joint and several, of the Lot Owners, their successors and assigns.

To the extent not prohibited by applicable law, the lien of and the personal obligation to pay the Assessment shall include:

(a) The principal amount thereof; and
(b) Interest at 10% per annum from and after the due date (hereinafter defined) thereof; and
(c) A late payment charge of 50% of the principal amount of the Assessment if it is not paid within thirty (30) days after its due date; and
(d) All Court costs incurred by the Association in the collection of any unpaid Assessment (principal, interest, and penalty); and
(e) Attorney's fees in an amount equal to the total amount of the Assessment including principal, interest, and penalty, when the account is placed into the hands of an attorney for collection by the Association.

Section 2. Purpose of the Assessment.

The assessment shall be used by the Association:

(a) To maintain, renovate, improve. operate. and administer the Common Property including, by way of amplification and not limitation, the streets, roads, and easements within or those leading to the subdivision; and
(b) To construct, maintain, renovate, operate, and administer such additional Common Property in the subdivision as the Association may deem necessary and proper;

for the benefit and enjoyment of the Owners to the end that the value of the Property shall be protected, promoted and enhanced.

The covenant of maintenance herein contained shall be deemed to mean that the streets and roadways within the subdivision shall be maintained to reasonably and seasonably afford all-weather access to each Lot in the subdivision by conventional motor vehicles.

The Common Property shall be maintained in a reasonable and prudent manner and shall be kept reasonably free of trash, debris, and refuge, the area of which shall periodically be bush-hogged or mowed.

Additionally, the Assessment shall be used for the payment of taxes and insurance upon or with reference to the Common Property.

Section 3. Amount of Annual Assessment - Due Date.

The Assessment shall be $100.00 per Lot.

The Assessment shall be due and payable, in advance, on February 1 1992 and, thereafter, on February 1 of each succeeding year (the "Due Date"). The Assessment shall not be prorated for any portion of any year.

Section 4. Annual Assessment Increase

The Board of Directors of the Association (which shall be controlled by the Developer until a majority of the Lots are conveyed to third party purchasers) may increase the Assessment upon thirty (30) days prior written notice to the Owners, but the amount of any increase shall not exceed 25% of the then current assessment in any annual assessment period.

The increase shall be for such duration as the Board of Directors shall determine and shall be adopted by a two-thirds majority vote of said Directors.

Section 5. Special Assessment - Establishment - Levy.

The Board of Directors of the Association may, by resolution adopted at any regular or special meeting, propose a special assessment which shall then be submitted to the membership for approval at any regular or special meeting of the Members. The notice of any meeting of the Members at which a proposed special assessment will be considered shall be given, in writing, to each member at least 15 days, but not more than 30 days, prior to the meeting and shall state the time, place, and purpose of the meeting. The Resolution shall state the purpose of the special assessment, the amount, duration, and due date thereof.

The proposed special assessment shall be deemed inactive (sic) inacted and shall become a lien on each Residential Lot in the subdivision upon approval of a majority of the voting members present in person or by proxy at any meeting of the membership which is held in accordance with the provisions of this section.

Section 6. Quorum.

Fifteen percent (15%) of the Lot owners present, in person or by proxy, at any du1y called meeting of the Membership shall constitute a quorum for the purpose of transacting business.

Section 7. Duties of the Board of Directors.

The Board of Directors of the Association shall prepare a roster of properties and assessments applicable thereto at least 15 days in advance of the due date of the Assessment. It shall be kept at the office of the Developer or the Association and shall be open to inspection by any Member during business hours.

The Developer or Association shall send an annual notice of the Assessment to each owner of record on or before January 15 of each year commencing January 15, 1992. The Board of Directors of the Association shall send a notice of any special assessment to each member within 15 days next after the enactment of any such assessment. Failure of the Board of Directors to send the notice of assessment (annual or special) shall in no way abrogate the lien of the Assessment nor the personal obligation of the owner for the payment of same.

Section 8. Nonpayment of Assessment, Regular or Special - Enforcement.

If any assessment, regular or special, remains unpaid more than 30 days beyond its due date, as herein provided, the Association shall forthwith prepare and file. in the Clerk's/Register Office a NOTICE OF DECLARATION OF LIEN, stating:

(a) The name and address of the property owner - debtor:
(b) The name and address of the Association:
(c) The source and basis of the lien;
(d) The amount of the lien (principal, penalty, and interest rate);
(e) A description of the land to which the lien is attaches; (sic) attached;
(f) Date on which the lien commenced: and
(g) Such other information as may be required by law.

Thereafter, the Association may proceed by the then appropriate legal action, in law or in equity, in a Court of competent jurisdiction *in personam* against the Owner personally obligated to pay the same and/or *in rem* against the land to enforce the lien personally against Owner or against the land to collect the amount thereof.

Section 9. Subordination of Lien to Deeds of Trust, Mortgages, and Taxes.

The lien of the Assessment herein provided is and shall be subordinated to:

(a) Taxes levied by the United States of America, the State of North Carolina. and/or the County of Northampton as the case may be or any governmental agency or political subdivision of either:
(b) To any Purchase Money Deed of Trust or mortgage whether or not the Developer or other person or legal entity is the beneficiary;
(c) To any other Deed of Trust or mortgage executed as security for a valid debt:

provided, however, such subordination shall apply only to assessments which come due and payable prior to the sale of the Residential Lot to which it has attached in a foreclosure proceeding under the Deed of Trust or mortgage, or sale in a proceeding to enforce a tax lien or other judicial proceeding to enforce the security interest of the Beneficiary of such Deed of Trust or mortgage.

Subsequent assessments shall not be adversely affected by any such sale or transfer and such sale or transfer shall not relieve the property from Liability therefor. The personal obligation of the Owner for payment of the Assessment shall not in any instance be terminated or otherwise affected by such sale or foreclosure proceeding, whether or not the Assessment became due prior or . subsequent to the foreclosure proceeding or sale.

Section 10. Exempt Property.

The following property. subject to this Declaration. shall be exempt from the Assessments, charges, and liens created herein:

(a) All properties to the extent of any easement or other interest therein devoted to public use:
(b) All properties defined in Article I, Section 1, (j) and Article IV, Section 2, hereof:
(c) All properties exempt from taxation pursuant to the laws of the State of North Carolina, or the United States of America to the extent of such legal exemption;
(d) Residential Lots owned or held by the Developer for sale and all Residential Lots otherwise owned by the Developer including any repurchased by it at any foreclosure sale under a Deed of Trust given to secure all or any portion of the purchase price of any such Lot.

ARTICLE XI
MOTOR VEHICLES

No unlicensed motor vehicles shall be operated within the subdivision. This prohibition expressly extends to mini-bikes, golf carts, go-carts, motor scooters, motorcycles, mopeds, trail bikes, and all other motorized unlicensed vehicles. In addition, no unlicensed driver shall be permitted to operate any licensed motor vehicle within the subdivision.

ARTICLE XII
GENERAL PROVISIONS

Section 1. Duration.

The Covenants shall run with and bind the land and shall inure to the benefit of and shall be enforceable by the Developer, the Association, or the Owner of any Residential Lot in the subdivision, their respective legal representatives, heirs, successors and assigns, until January 15, 2011. Thereafter, the Covenants shall be automatically extended for four successive periods of five years each unless amended or modified by the written agreement of the then owners of two-thirds of the Residential Lots in the subdivison.

No amendment shall be effective unless made and recorded in the Clerk's Office and the Register's Office at least six months in advance of the effective date.

Section 2. Notices.

Any notice required to be sent to any Member or Owner under the provisions of the Covenants shall be deemed legally given when mailed, postage prepaid, to the last known address of the person who appears as a Member or Owner of the records of the Developer or Association at the time of such mailing.

Section 3. Enforcement.

Enforcement of these Covenants shall be by any proceeding at law or in equity against:

(a) Any person or persons violating or attempting to violate any covenant or restriction, either to restrain violations or to recover damage; and
(b) The land to enforce any lien created by the Covenants. Enforcement proceedings may be instituted and maintained by:
    a. the Developer:
    b. the Association;

c. any Lot Owner: and
d. any government or agency thereof having jurisdiction in the premise.

The failure of the Association, Developer, or any Owner to enforce any covenant or restriction herein contained shall not be deemed a waiver of the right to do so thereafter.

Section 4. Rights of the Developer and/or Association.

The Developer or the Association, is hereby given the right to enter upon any Lot for the purpose of removing signs, debris, brush, junk, or any other unsightly or unsanitary condition and shall not be considered a trespasser in so doing. The Developer and/or Association further reserves the right to make a reasonable charge to the Owner of such lot or lots for such service which charge, if made, shall be a lien upon the premise and, shall be fully enforceable by the Developer or the Association through appropriate legal action.

Section 5. Severability.

Invalidation of any provision of the Covenants by order or decree of any court shall in no way effect the remaining provisions of the Covenants which shall continue n full force and effect.

Dated January 15. 1991.