



FOR REGISTRATION REGISTER OF DEEDS
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HARNETT COUNTY, NC
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STATE OF NORTH CAROLINA
COUNTY OF HARNETT

DECLARATION OF PROTECTIVE COVENANTS
FOR
FOREST TRAILS SUBDIVISION, PHASE 3
MAP NUMBER 2008-409

Prepared by: The Law Office of Kathy Anderson Mercogliano, P.A.

THIS DECLARATION is made May 6, 2008, by A & D Properties, a North Carolina General Partnership hereinafter referred to in the neuter singular as "The DECLARANT");

RECITALS:

WHEREAS, DECLARANT is the Owner and Developer of that certain real property located in Hectors Creek Township, Harnett County, State of North Carolina, known as Forest Trails (the Development), which Development is more particularly described as follows:

BEING ALL LOTS 94-114 AND 116-117 OF FOREST TRAILS SUBDIVISION AS SHOWN ON MAP OF SURVEY BY STANCIL & ASSOCIATES, PROFESSIONAL LAND SURVEYOR, P.A., ANGLIER, NORTH CAROLINA DATED FEBRUARY 20, 2007 AND RECORDED IN MAP NUMBER 2008-409, HARNETT COUNTY REGISTRY (PREVIOUSLY RECORDED IN MAP NUMBER 2008-393, HARNETT COUNTY REGISTRY AND MAP NUMBERS 2008-358 AND 2008-359, HARNETT COUNTY REGISTRY.

WHEREAS, the DECLARANT intends to sell and convey the lots and parcels within the Development and, before doing so, desires to impose upon them mutual and beneficial restrictions, covenants, equitable servitudes, and charges under the general plan or scheme of improvements for the benefit of all lots and parcels in the Development and for the benefit of the Owners and future Owners thereof.

NOW, THEREFORE, the DECLARANT declares that all of the lots and parcels in the Development are held and shall be held, conveyed, encumbered, leased, rented, used, occupied, and improved subject to the provisions of this Declaration, all of which are declared by the DECLARANT, and agreed by DECLARANT'S successors in title, to be in furtherance of a plan of development established for the purpose of enhancing and protecting the value, desirability, and attractiveness thereof.

The provisions of this Declaration are intended to create mutual and equitable servitudes upon each of said lots and parcels in favor of each and all other lots and parcels; to create reciprocal rights between their respective Owners of all such lots and parcels; to create privity of contract and estate between the Grantors of such lots, their heirs, successors and assigns; and to operate as covenants running with the land for the benefit of each and all other such lots and parcels in the Development and their respective Owners present and future.

I. DEFINITIONS

The following terms used in this Declaration are defined as follows:

1. "Association" means Forest Trails Property Owners Association, a North Carolina Non-Profit Corporation with its principal place of business in Harnett County, North Carolina, filed with the North Carolina Department of the Secretary of State 07/26/02, SOSID: 639843.
2. "Board" means the Board of Directors of Forest Trails Homeowners Association, Inc.
3. "By-Laws" means the By-Laws of the Association.
4. "Common Areas" means all roadways, easements for public and private utilities, pedestrian and recreation easements, and any other property (real or personal or mixed) or interest therein which the DECLARANT declares to be a Common Area and/or which the Association acquires and accepts as such. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

BEING ALL LOTS 94-114 AND 116-117 OF FOREST TRAILS SUBDIVISION AS SHOWN ON MAP OF SURVEY BY STANCIL & ASSOCIATES, PROFESSIONAL LAND SURVEYOR, P.A., ANGIER, NORTH CAROLINA DATED FEBRUARY 20, 2007 AND RECORDED IN MAP NUMBER 2008-409, HARNETT COUNTY REGISTRY (PREVIOUSLY RECORDED IN MAP NUMBER 2008-393, HARNETT COUNTY REGISTRY AND MAP NUMBERS 2008-358 AND 2008-359, HARNETT COUNTY REGISTRY.

5. "Declarant" means and refers to A & D Properties, a North Carolina General Partnership, its heirs, successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.
6. "Improvements" means all buildings, out-buildings, streets, roads, driveways, parking areas, fences, retaining and other walls, hedges, poles, antenna, and any other structure of any type or kind or any land clearing whatsoever.
7. "Lot" means any numbered lot designated on the plat.
8. "Owner" means:
 1. Any person, firm, corporation, or legal entity (including the DECLARANT) who or which holds fee simple title to any lot.
 2. Any person, firm, corporation, or other legal entity who has contracted to purchase fee simple title to any lot pursuant to a written agreement, in which case under said agreement the former owner shall cease to be the "Owner" of said lot for the purposes of this Declaration for so long as the said agreement is in effect.
9. "Single-Family Dwelling" means a residential dwelling for more than one or more persons, who shall maintain a common household in such dwelling.
10. "Supplemental Declaration" means any future Declaration made by the DECLARANT which incorporates the provisions of this Declaration therein by reference and which shall apply to property being annexed to the Development by the DECLARANT according to the terms and provisions contained hereafter.

II. RESIDENTIAL RESTRICTIONS

The following shall be applicable to all lots within the Development and each Owner, as to his lot or parcel, covenants to observe and perform the same.

1. Only one (1) single-family dwelling, not to exceed two and one-half stores in height (2 ½), and such accessory out-buildings as are usually incident thereto, shall be permitted on any lot. Garages are not required, however, only one garage per lot shall be allowed and must be for no more than four cars.
2. No single-family dwelling may consist of less than (1) one story dwelling: 1,200 square feet of enclosed heated space; (2) one and one-half story dwelling: 1,500 square feet of enclosed heated space; (3) two story dwelling: 1,600 square feet of enclosed heated space (exclusive of any basement area, open porches, bonus rooms over garages and garages, irrespective or whether or not the same may be enclosed and heated).
3. No structure may be placed or erected upon any lot nearer to the street, side and rear lines than those Harnett County Minimum Building Setback Limits as shown on the recorded plat of the subdivision. All other buildings, structures and recreational facilities shall be located only in accordance with local governmental ordinances and regulations.
4. Accessory outbuildings facades shall be constructed of new building materials composed similar to primary residents, no bare metal or similar siding. No other metal sidings shall be permitted on any outbuildings. All outbuildings shall be painted or sided and kept in a reasonable state of repair. No outbuilding shall contain exposed cinder block.
5. All playground equipment shall be placed at the rear of the dwelling. No clothes lines are permitted except manufactured umbrella types having only one pole. All clothes line shall be located at the rear of the property.
6. Construction of any improvements upon any lot, once commenced shall be completed within eighteen (18) months. Improvements not so completed or upon which construction has ceased for one hundred eighty (180) consecutive days, or which have been totally or partially destroyed and not rebuilt within eighteen (18) months shall be deemed to be nuisances. The DECLARANT and/or the Association may remove any such nuisance or repair or complete the same at the cost of the Owner of the lot upon which said nuisance may exist, which cost may be added to and become a part of the annual assessment to which the lot is subject. Neither the Association nor any of the agents, employees, or contractors shall be liable for any damage which may result from the performance of any services herein authorized.
7. No used buildings or structures intended for use as a dwelling may be placed on any lot subject to paragraph B herein.
8. All lots, whether occupied or unoccupied, and all improvements placed thereon, shall at all times be maintained in such a manner as to prevent their becoming unsightly, unsanitary, or a hazard to health. If not so maintained, the Association shall have the right, through its agents and/or employees, to rectify such offensive situations and the cost of such undertakings shall be added to and become a part of the annual assessment to which a lot is subject. Neither the Association nor any of its agents, employees, or contractors shall be liable for any damage which may result from the performance of any services herein authorized.
9. No outside toilets or privies shall be constructed on any lot. All plumbing fixtures, dishwashers, toilets, or sewage disposal systems shall be connected to a septic tank or other form of sewage disposal system approved by the appropriate government authority. No such waste disposal system shall be placed within one hundred (100) feet of any well now located or hereafter placed within the Development.
10. Fences and all property lines shall be kept free and clear and open; no fences, hedges, or walls shall be permitted without the prior approval of the Homeowners Association.
11. No noxious or offensive activities or nuisances shall be permitted on any lot.
12. No person, except the DECLARANT, shall erect or maintain upon any lot or improvement any sign or advertisement; this prohibition, however, shall not apply to a small property identification sign placed upon the lot which gives the family name of the Owner and/or the name of the house which name has been designated by the Owner.
13. No animals shall be kept or maintained on any lot except the usual household pets, provided the same shall be kept reasonably confined on said lot so as not to become a nuisance. Any pets outside and not in a fenced in enclosure must be on a

leash. No dog, cat or other household pet shall be kept, bred or maintained on said lot for commercial purposes. No fenced enclosure for animals shall be placed within ten feet of any side or rear lot line.

14. No Owner shall burn trash, garbage, or other like household refuse without a permit from the Home Owners Association; nor shall any Owner accumulate on his lot any form of junk, inoperable vehicles, litter, refuse, or garbage (except in receptacles provided for such purposes).

RW 15. No travel trailers, mobile homes, relocatable dwelling, tent, lean-to, or other temporary shelter may be placed or erected on any lot nor shall the Owner of any lot permit any overnight camping thereon at any time, subject to Paragraph B above, for over Forty-eight hours.

16. There shall be no access to any lot on the perimeter of the Development except from designated streets and roads shown on the Plat. There shall be no access from any lot on the perimeter of the Development to any lands adjacent to such perimeter lot and no Owner may grant a right-of-way through his lot for the purpose of affording access to property not within the Development. This provision shall not apply to the DECLARANT or their successors and assigns.

17. No streams found within any lot may be dammed or the water therefrom impounded, diverted, or used for any purpose without the prior written consent of the Homeowners Association.

18. Each Owner shall keep drainage ditches and swales located on his lot free and unobstructed and in good repair and shall provide for the installation of such culverts upon his lot as may be reasonably required for proper drainage.

19. No parcel or lot may hereafter be resubdivided into two (2) or more building sites and only one (1) single family dwelling may be permitted on each lot or parcel. This provision, however, shall not preclude the relocation of any lot line between any two (2) or more parcels either by the developer or the Owners of said Parcels, which relocation shall not be deemed a "resubdivision" thereof.

20. No satellite dishes shall be allowed in excess of 24" in diameter. Any satellite dish so allowed shall be placed in the rear of residences in order that the same may not be visible from the road front of said residence.

21. Any driveway piping must be installed and graded in accordance with Department of Transportation specifications.

22. No motor vehicle licensed to carry more than two tons shall be allowed or parked on any lot or street within said subdivision except those vehicles delivering building materials to develop or improve the lots within the subdivision or to carry furniture for any homeowner within said subdivision.

23. No automobile(s) or motor vehicle(s) may be dismantled for over twenty-four hours on said property. No inoperable cars, machines, or machinery shall be placed or remain on property at any time.

24. Fuel storage tanks on any lot shall be either buried below the surface of the ground or, alternately, screened to the satisfaction of the Architecture Control Committee. Every receptacle for ashes, rubbish, or garbage shall be installed underground or be so placed and kept as not to be visible from any street or other lot within the Development, except at the times when such refuse collections are made.

25. No fencing shall be erected or permitted to remain on any lot closer to the front lot line than the back of the dwelling erected thereon, unless approved by developer or the Home Owners Association. •

III. COMMON AREAS

1. Extent: All lots, parcels, or reserved easements in the Development designated herein as "Common Areas" are and shall remain private property and the DECLARANT'S recordation of the Plat shall not be construed as a dedication to the public of any such Common Area.

2. Ownership: By a series of Deeds of even date herewith, the DECLARANT has conveyed to the Association all Common Areas located within the Development as described in the Plat thereof.

3. Use: The use and enjoyment of common areas and improvements thereon shall be subject to the powers of the Association as set forth in its Articles and By-Laws and the rules and regulations governing the use of such property and improvement as may from time to time be adopted by the Association. Provided, however, DECLARANT reserves the right to reasonable use in connection with its sale and development programs.

4. Maintenance: Maintenance of common property and repairs to any improvements thereon shall be the sole obligation and responsibility of the Association.

5. Subsequent Dedication: The Association may, upon the affirmative vote of two-thirds (2/3) of its members entitled to vote, offer any such property for dedication to public use. Such offer shall be subject to acceptance by the appropriate governmental authority pursuant to its then applicable standards.

6. Improvements: All improvements made by the Association upon the Common Areas must be approved by the Home Owners Association as hereinafter provided.

7. Fees: The Association has the right and power to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

IV. ARCHITECTURE CONTROL COMMITTEE

1. General Powers: All improvements constructed or placed on any lot must first have the written approval of the Architecture Control Committee. (NOTE: The Forest Trails Homeowners Association shall appoint an Architectural Control Committee, as provided in the By-Laws.) Such approval shall be granted only after written application has been made to the Committee in the manner and form prescribed by it. The application, to be accompanied by one (1) set of plans and specifications, shall show the location of all improvements, if any, existing upon said lot, the location of the improvements proposed to be constructed, the color and composition of all exterior materials to be used, proposed landscaping, and any other information which the Committee may require, including soil, engineering, and geologic reports and recommendations.

2. Architectural Control Committee Membership: The Committee shall be composed of three (3) members, to be appointed by DECLARANT. Committee members shall be subject to removal by DECLARANT and any vacancies from time to time existing shall be filled by appointment of DECLARANT, or in the event of DECLARANT'S failure to do so within two (2) months after any such vacancy, then by the Association through action of the Board. The power to appoint or remove Committee members shall be transferred to the Association when Ninety Percent (90%) of all lots in the Development have been sold by DECLARANT.

3. Grounds For Disapproval: The Committee may disapprove any application:

(a) If such application does not comply with this Declaration;

Because of the reasonable dissatisfaction of the Committee, with grading plans, location of the proposed improvements on a lot, finished ground elevation, color scheme, finish, design proportions, architecture, shape, height, or style of the proposed improvements, the materials used therein, the kind, pitch, or type of roof proposed to be placed thereon; or

(b) If, in the judgment of a majority of the Committee reasonably exercised, the proposed improvements will be inharmonious with the Development, or with the improvements erected on other lots.

4. Rules and Regulations: The Committee shall, from time to time, adopt written rules and regulations of general application governing its procedures which shall include, among other things, provisions for the form and content of applications; required number of copies of plans and specifications; provisions for notice of approval or disapproval, including a reasonable time period for approval by reason of failure to disapprove, etc.

5. Variances: The Committee may grant reasonable variances or adjustments from the provisions in this Declaration where literal application thereof results in unnecessary hardship and if the granting thereof will not be materially detrimental or injurious to Owners of other lots.

6. Certification of Compliance: At any time prior to completion of construction of an improvement, the Committee may require a certification, upon such forms as it shall furnish, from the contractor, Owner, or a licensed surveyor that such improvement does not violate any set-back, ordinance, or statute nor encroach upon any easement or right-of-way of record.

7. Administrative Fees: As a means of defraying its expenses, the Committee may institute and require a reasonable filing fee to accompany the submission of plans and specifications, to be not more than one-fourth (1/4) of One Percent (1%) of the estimated cost of the proposed improvement, subject to a minimum fee of Twenty-Five Dollars (\$25.00). No additional fee shall be required for resubmissions.

8. Liability: Notwithstanding the approval by the Committee of plans and specifications or its inspection of the work in progress, neither it, DECLARANT, the Association nor any person acting in behalf of any of them shall be responsible in any way for any defects in any plans or specifications or other material submitted to the Committee, nor for any defects in any work done pursuant thereto. Each person submitting such plans or specifications shall be solely responsible for the sufficiency thereof and the adequacy of improvements constructed pursuant thereto.

9. Appeals: Any applicant shall have the right to appeal to the Board from any decision of the Committee within thirty (30) days after entry of such decision.

10. Default by Committee to take timely action: In the event the Committee fails to approve or disapprove such design and location within thirty (30) after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

V. THE ASSOCIATION

1. General: The Forest Trail Homeowners Association is a North Carolina Non-Profit corporation organized to further and promote the common interests of property Owners in the Development. The Association shall have such powers in the furtherance of its purposes as are set forth in its Articles and By-Laws.

2. Membership: Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

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

(a) Class A. Class A members shall be all Owners, with the exception of the Declarant - A & D Properties, a North Carolina General Partnership, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member(s) shall be Declarants - A & D Properties, a North Carolina General Partnership, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted into Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

4. Rights, Privileges, and Obligations: The rights, duties, privileges, and obligations of membership in the Association are as set in its Articles and By-Laws.

VI. ASSESSMENTS

1. General: Pursuant to the powers granted to it in its Articles and By-Laws, the Association is hereby expressly authorized and empowered to levy annual assessments against all lots in the Development. Any Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

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

3. Maximum Annual Assessment: Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be sixty dollars (\$60.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

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

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

5. Notice and Quorum for Any Action Authorized Under Sections D and E. Written notice of any meeting called for the purpose of taking any action authorized under Section D or E shall be sent to all members not less than 30 days not more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

7. Collection and Lien: The amount of the assessment levied by the Association shall be paid to it on or before the date or dates fixed by resolution of the Board. If any assessment is not paid within thirty (30) days of the due date thereof, the amount of such assessment (together with interest computed at the simple rate of eight (8%) percent per annum from and after the due date thereof) and any cost of collection (including reasonable attorney's fees, if any) shall, at the option of the Board, constitute and become a lien upon said lot as of the due date thereof upon the filing notice thereof with the Harnett County Clerk of Superior Court (which notice shall be filed within one hundred twenty (120) days from the due date of the assessment). In such instance, the services rendered by the Association for the benefit of such lot and for which an assessment is levied shall be deemed to have been performed on the due date of such assessment and to "improve" the subject lands and/or create an "improvement" thereon as defined in Chapter 44A, Article 11, Part 1 of the General Statutes of North Carolina; the lien arising therefrom shall constitute a "lien of mechanics, laborers, and materialmen dealing with Owner", and such lien may be perfected and enforced pursuant to the provisions of said Part 1. The lien created hereby shall not, however, be superior to any mortgage or Deed of Trust recorded prior to the filing of the Notice of Claim of Lien or any other statutory lien having priority or otherwise provided by law. Any action to enforce said lien may, at the Association's option, include a prayer for collection of assessments levied against the lot since the filing date of the Notice of Claim of Lien. The Association may purchase the property at any sale thereof contemplated under Section 44A-14 of the General Statutes of North Carolina.

8. Proof of Payment: Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.

9. Suspension: The Association shall not be required to transfer memberships on its books or to allow the exercise of any rights or privileges of membership on account thereof to any Owner or to any persons claiming under them unless or until all assessments and charges to which they are subject have been paid in full.

VII. EASEMENTS

1. Reservations: The following easements over each lot or parcel and the right to ingress and egress to the extent reasonably necessary to exercise such easements are reserved to DECLARANT, its heirs, successors, administrators, assigns and to the Association, its successors and assigns:

(i). Utilities: A five (5) foot wide strip running along the inside of all lot lines coincident with street right-of-way lines, in which case such strips shall be fifteen (15) feet wide, for the installation, maintenance, and operation of utilities, including radio and television transmission cables, and the accessory right to locate guy wires, braces, or anchors or to cut, trim, or remove trees, and plantings, wherever necessary upon such lots in connection with such installation, maintenance, and operation. The easements reserved herein may be conveyed either by the Declarant or by the Corporation (or their respective successors) to any public utility company operating under a Certificate of Convenience and Necessity issued by the North Carolina Utilities Commission.

(ii). Slope and Drainage: A fifteen (15) foot wide easement running along the inside of all lot lines coincident with street rights-of-way lines for the purpose of cutting, filling drainage, and maintenance of slopes and drainage courses.

(iii). Private Streets: An easement on, over, and under all streets in the Development for the purpose of installing, maintaining, and operating utilities thereon or thereunder; for the purpose of drainage control; for access to any lot or parcel; and for purposes of maintenance of said streets.

(iv). Other Easements: Any other easements shown on the plat.

(v). The declarant reserves the right to subject the real property in this subdivision, known as Forest Trails Subdivision, to a contract with Carolina Power and Light Company or the power company servicing this area of the state of North Carolina for the installation of underground electric cables which may require an initial contribution and/or the installation of street lighting, which will require a continuing monthly payment to Carolina Power and Light Company or the power company servicing this area of the state of North Carolina by the owner of each said building.

2. Use of and Maintenance by Owners: The areas of any lots affected by the easements reserved herein shall be maintained continuously by the Owner of such lot, but no structures, plantings, or other material shall be placed or permitted to remain or other activities undertaken thereon which may damage or interfere with the use of said easements for the purpose herein set forth. Improvements within such areas shall be maintained by the Owner except those for which a public authority or utility company is responsible.

3. Liability for Use of Easements: No Owner shall have any claim or cause of action against DECLARANT or its licensees arising out of the exercise or non-exercise of any easement reserved hereunder or shown on the Plat, except in cases of willful or wanton misconduct.

VIII. ROAD MAINTENANCE AGREEMENT

Declarant hereby grant unto themselves and the future record owners of the aforesaid property adjoining and abutting all streets as shown on the aforesaid plats perpetual ingress, egress and regress along the said road and for the purposes of installation and maintenance of utilities as stated in Easement Section above.

pools. However, an owner of a lot may transfer impervious surfaces to or from any other lot in the subdivision so long as a contract is recorded in the Harnett County Registry fully and completely described in the lots which impervious surfaces may be transferred to and from.

- 3 Swales shall not be filled in, piped or altered except to provided driveway crossings.
- 4. Built-upon area in excess of the permitted amount requires a state storm water management permit modification prior to construction.
- 5. All permitted runoff from parcels or future development shall be directed into the permitted storm water control system. These connections to the storm water control system shall be performed in a manner that maintains the integrity and performance of the system permitted.

XVI. TERM AND AMENDMENT

The provisions of this Declaration shall affect and run with the land and shall exist and be binding upon all parties claiming an interest in the Development for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty year (20) period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) of the Lot Owners. Any amendment to be enforceable in equity or law must be recorded.

XVII. FHA/VA Approval

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the DECLARANT has executed this Declaration on the day and year first above written.

A & D PROPERTIES, A NC General Partnership

Leon Anderson (SEAL)
Leon Anderson, General Partner

Earl Davis (SEAL)
Earl Davis, General Partner

STATE OF NORTH CAROLINA
COUNTY OF HARNETT

I, Kathy A. Mercogliano, a Notary Public of Harnett County, North Carolina, do hereby certify that Leon Anderson and Earl Davis, General Partners of A & D Properties, a NC General Partnership, Grantor(s) herein, personally appeared before me this date and acknowledged the due execution of foregoing instrument for the purposes therein expressed.

In witness my hand and official seal, this the 6th day of May, 2008.



Kathy A. Mercogliano
Kathy A. Mercogliano, Notary Public

My Commission Expires December 6, 2010.