

NORTH CAROLINA

RESTRICTIVE COVENANTS

SAMPSON COUNTY

FOX HILLS SUBDIVISION

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made and entered into this the 5 day of January, 2001, by and between WILLIAMSON REAL ESTATE DEVELOPMENT COMPANY, L.L.C., party of the first part (hereinafter referred to as "DEVELOPER"); and PROSPECTIVE PURCHASERS of lots in FOX HILLS Subdivision, Section II, IV, V, and any additional property within the Development Area as may by subsequent amendment be added to and subjected to this Declaration, parties of the second part (hereinafter referred to as "Owners");

W I T N E S S E T H :

WHEREAS, Developer is the owner of all of that tract of real property located in Dismal Township, Sampson County, North Carolina, and more particularly shown and described on that certain map or plat entitled Fox Hills, Section II, IV, V, recorded in Plat Book 38, at Page No 46, in the office of the Register of Deeds of Sampson County, reference to said plat being hereby specifically made; and,

WHEREAS, Developer proposes to sell and convey certain lots shown on the aforesaid plat to be used for residential purposes and to develop said lots, and additional property within the Development Area which may be acquired by Developer, into a well planned community; and,

WHEREAS, Developer, prior to selling and conveying the aforesaid residential lots, desires to impose upon such lots certain mutual and beneficial restrictions, covenants and conditions and charges (hereinafter collectively referred to as "Restrictions") for the benefit and compliment of all the residential lots in the subdivision in order to promote the best interest and protect the investments of Developer and Owners;

NOW, THEREFORE, Developer hereby declares that all numbered lots shown on the aforesaid plat entitled Fox Hills, Section II, IV, V, recorded in Plat Book No 38, at Page No 46, in the office of the Register of Deeds of

Sampson County, North Carolina, and any additional property within the Development Area as may by subsequent amendment be added to and subjected to this Declaration, are held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to this Declaration and to the following Restrictions. This Declaration and the Restrictions shall run with the land and shall be binding an all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof subject to this Declaration.

ARTICLE 1

DEFINITIONS

As used herein,

A. "Articles" means the Articles of the Incorporation of FOX HILLS HOMEOWNERS ASSOCIATION, INC.

B. "Corporation" means Fox Hills Homeowners Association, Inc., a North Carolina non-profit corporation. The "Board of Directors" or "Board" shall be the elected body governing the Corporation and managing the affairs of the Corporation.

C. "By-Laws" means the Bylaws of Fox Hills Homeowners Association, Inc.

D. "Community Use Areas" means all real and personal property, together with those areas within dedicated portions of the Development Area and the Subdivision, which may be deeded to or acquired by the Corporation for the common enjoyment of the members of the Corporation.

E. "Common Expenses" means and includes actual and estimated expenses of maintaining and operating the common areas and operating the Corporation for general purposes, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the Bylaw and Articles of Incorporation of the Corporation.

F. "Dedication" means the act of committing a portion of the Development Area or the Subdivision to the purposes of this Declaration.

G. "Developer" means Williamson Real Estate Development Company, L.L.C., its Successors or assigns or any legal entity acquiring ownership of portions of the Development Area heretofore not dedicated with the intent and for the purpose of further development.

H. "Development Area" shall mean that Property described by deed recorded in book 1237, Page 902, in the office of the Register of Deeds of Sampson County, North Carolina.

I. "Lot" means a separately numbered tract of land lying within the Subdivision or other dedicated portion of the Development Area and which, according to the plat of that portion recorded at the dedication thereof, may be conveyed by the Developer and owned in fee by the Grantee thereof, and held for such uses as are consistent with this Declaration and the Restrictions covering the area where in the tract is located. No tract of land shall become a "Lot" as that word is used herein until the area on which the same is located is "dedicated". The Owner of all of a numbered Lot may combine such numbered Lot, part or parts of another such numbered Lot and the aggregate shall be considered as one Lot for the purpose of these Restriction.

Each Lot adjacent to the South River includes that property lying within the extension of the side lot lines of each such Lot, along the same coarse of the side lines of said lot, to the mean high water line of the South River and the conveyance of a Lot shall be deemed to include said property.

J. "Subdivision" means Fox Hills and any portion of the Development Area, which has been dedicated pursuant to this Declaration.

ARTICLE 2

APPLICABILITY

These Restrictions shall apply to all subdivide Numbered Lots shown on the aforesaid plat or map, and additional plats or maps of subdivisions of the Development Area, (hereafter referred to as "Lot" or "Lots"), which Lots are for residential purposes only. These Restrictions shall not be applicable to any unnumbered land or lands designated on the plat as "Reserved" or other land of

Developer, and Developer is withholding these parcels from these Restrictions pursuant to its general scheme of development, the absence of Restrictions thereupon being intended to allow Developer maximum flexibility in the determination of the development of such parcels.

ARTICLE 3

A. A Corporation named Fox Hills Homeowners Association, Inc. will be formed pursuant to the rules and requirements of the Non-profit Corporation Act (Chapter 55a) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to own, manage, maintain, and operate the Community Use Areas and facilities located upon the Community Use Areas; to enforce the restrictions contained herein; and to make and enforce rules and regulations governing the Owners' use and occupation of Lots.

B. Each owner of each Lot within the Subdivision shall be a member of the Corporation. The Declarant, By this Declaration, and the Owners of individual Lots by their acceptance of individual deeds thereto, covenant and agree with respect to the Corporation:

1. That for so long as each is an Owner of a lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Corporation;

2. That each shall be subject to the rules and regulations of the Corporation with regard to ownership of a Lot; and

3. That any unpaid assessment, whether general or special, levied by the Corporation in accordance with these Restrictions, the Articles or the Bylaws shall be a lien upon the Lot upon which such assessment was levied, and shall be the personal obligation of the Owner of the Lot at the time the assessment fell due.

C. Each membership in the Corporation shall relate to and have a unity of interest with an individual Lot, which may not be separated from ownership of said Lot.

D. The Corporation shall have one class of members who shall be all Owners. Each member shall be entitled to

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

ARTICLE 4

MANAGEMENT AND ADMINISTRATION

The management and administration of the affairs of the Community Use Areas of the Subdivision shall be the sole right and responsibility of the Corporation. The management shall be carried out in accordance with the terms and conditions of these restrictions, the Articles and Bylaws of the Corporation, but may be delegated or contracted to managers or management services.

ARTICLE 5

COMMUNITY EXPENSES

The Community Expenses of the Subdivision include:

A. All amounts expended by the Corporation in operating, administering, managing, repairing, replacing and improving the Community use Areas of the Subdivision; all amounts expended by the Corporation in insuring the Community Use Areas in the Subdivision; all amounts expended by the Corporation in Legal engineering, or architectural fees; all similar fees which may be incurred by the Corporation from time to time in performing the function delegated to the Corporation by these Restrictions; and all amounts expended in any form by the Corporation in enforcing these Restrictions, the Articles or the Bylaws.

B. All amounts extended by the Corporation in carrying out any duty or desecration as may be required or allowed by these Restrictions, the Articles or Bylaws.

C. All amounts declared to be Community Expenses in the Bylaws or in these Restrictions.

D. All taxes and special assessments which may be levied from time to time by any governmental authority upon the Community Use Areas in the Subdivision.

ARTICLE 6

ANNUAL GENERAL ASSESSMENT

A. The declaration for each Lot owned, hereby covenants and each Owner of any Lot by acceptance of a deed for same (whether or not it shall be so-expressed in such deed) is deemed to covenant and agrees to pay to the Corporation annual general assessment, together with interest cost and reasonable attorneys' fees shall be a charge lien on the land and, subject to the provisions of Paragraph 6 of this article, shall be continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, cost, and reasonable attorneys' fees, shall not pass to a successor in title to a Lot unless expressly assumed by them but, subject to the provisions of this Declaration, Delinquent assessments shall continue to be a lien upon such lot.

B. Until June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment shall be One Hundred and No/100 Dollars (\$100.00) per Lot.

1. From and after June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment may be increased each year not more than ten percent (10%) above the assessment for the previous year without any vote of the membership.

2. From and after June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment may be increase by an amount greater than ten percent (10%) of the assessment for the previous year provided the proposed increase is approved by a vote of two-thirds (2/3) of the members who are voting in person or by proxy at a meeting duly called for this purpose.

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

4. Once the annual general assessment has been set, notice of the annual general assessment shall be given to all members. After the initial notice of the assessment, the assessment shall become due and payable as provided by the Board of Directors

C. Written notice of any meeting called for the Purpose of taking any action authorized under Paragraph 2 (B) shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of member 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 requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the proceeding meeting.

D. The annual general assessments levied by the Corporation shall be used exclusively to improve, maintain and repair the Community Use Areas to pay the expense of the Corporation, to pay the cost of lighting the Community Use Areas, to pay the cost of any insurance the Corporation determines to purchase and to promote the recreation, health, safety and welfare of the members and to pay taxes levied upon the Community Use Areas.

E. The Corporation shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Corporation setting forth whether the assessments on a specific Lot have been paid. A properly executed certificate of the Corporation as to the status of assessments on a Lot is binding upon the Corporation as of the date of its issuance.

F. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer or any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu therefore, shall extinguish the lien of such assessments as to payments which became due prior to such sale transfer. No sale or transfer shall relieve such Lot from liability

for any assessments thereafter becoming due or from the lien thereof.

ARTICLE 7

SPECIAL ASSESSMENTS

Special assessments may be lived against Lots for such reasons as are provided in these Restrictions, the Articles or the Bylaws and on such terms as provided by the Board of Directors or the members. Either the Board Directors the members may levy and impose special assessments upon a majority vote. The purposes for which special assessments may be levied include, but are not limited to, providing funds to pay Community Expenses which exceed the general assessment fund then on hand to pay same and providing a contingency fund for capital improvements and extraordinary expenses. Furthermore, special assessments may be assessed against specific Lots. In the event the Owner of the lot fails to comply with the provisions of Article 12 hereof, the Corporation may perform such task or remedy such matter and levy the cost of such performance against the Owner of such Lot as special assessment.

ARTICLE 8

LIEN FOR ASSESSMENTS

Any general or special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest at the rate of ten percent (10%) per annum, costs of collection, court costs, and reasonable attorneys' fees shall constitute a lien against the Lot upon which such assessment is lived. The Corporation may record notice of the same in the office of the Clerk of Superior Court of Sampson County or file a suit to collect such delinquent assessments and charges. The Corporation may file Notice of Lis Pendens, bring an action at law against the Owner personal obligated to pay the same and/or bring an action foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein.

ARTICLE 9

**COMPLIANCE WITH THIS DECLARATION, THE ARTICLES AND THE
BYLAWS OF THE CORPORATION**

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

A. The Corporation, an aggrieved Lot owner or Owners within the Subdivision on behalf of the Corporation, or any Lot Owner on behalf of all the Lot Owners within the subdivision shall have the right to bring an action and recover sums due, damages, injunctive relief, and/or such other and further relief as may be just and appropriate.

B. The Corporation shall have the right to remedy the violation and assess the costs of remedying same against the offending Lot Owner as a special assessment.

C. If the violation is the nonpayment of any general or special assessment, the Corporation shall have the right to suspend the offending Owner's voting right and the use by such Owner, his agents, employees and invitees of the Community Use Areas in the Subdivision for any period during which assessment against the Lot remains unpaid.

D. The remedies provided by this Article are cumulative, and are in addition to any other remedies provided by law.

E. The failure of the Corporation or any Person to enforce any restriction contained in these Restrictions, the Articles or the Bylaws shall not be deemed to waive the right to enforce such restrictions thereafter as to the same violation or subsequent violation of similar character.

Prior to availing itself of the relief specified herein, the Corporation shall follow the hearing procedures as set forth in the Bylaws.

ARTICLE 10

**PROPERTY RIGHTS OF LOT OWNER, CROSS-EASEMENTS, AND
EXCEPTIONS AND RESERVATIONS BY DECLARANT**

A. Every Owner of Lot within the Subdivision, as an appurtenance to such Lot, shall have a perpetual easement over and upon the Community Use Areas within the Subdivision for each and every purpose or use to which such Community Use Areas were intended as determined by their type, or for which such Community Use Areas generally are used. Such easements shall be appurtenant to and shall pass with the title to every Lot located within the subdivision, whether or not specifically included in a deed thereto, subject to the following provisions.

1. The Corporation shall have the right to make reasonable rules and regulations respecting the use of same.

2. The Corporation shall have the right to suspend the voting rights of a Lot Owner and his right to use the community Use Areas within the Subdivision for any period during which any due assessment against such Owner's Lot remains unpaid as is provided in Article 9 hereof, and for a period not to exceed sixty (60) days for any infraction of it's published Rules and regulations.

3. The Corporation shall have the right to charge reasonable admission and other fees for use of any recreation facility situated upon the Community Use Area.

B. The Corporation hereinafter may grant assessments for utility purposes for the benefit of the Subdivision and the Lots now or hereafter located thereon, over, under, along and through the Community Use Areas. Provided, however, that no such grant of easement shall have a material adverse effect on the use, enjoyment or value of any lot.

C. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Community Areas and facilities to the members of his family, his tenants, or contract purchasers who reside the property.

D. Developer shall have the right, at it's election, without the consent of any owner or owners, to bring within the coverage and operation of these Restrictions additional properties within the Development Area as may be developed in the future. The addition to property authorized hereby shall be made by filing the record in the Office of the Register of Deeds of Sampson County, North Carolina, a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property. The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or appropriate in this sole judgement of the developer to reflect the different character, if any, of the added properties and as are not in consistent with the plan, indent and spirit of this Declaration.

E. Easements and rights of way over and upon each lot for drainage and the installation and maintenance of utilities and services are reserved exclusively to Developer for such purposes as Developer may deem incident and appropriate to its overall development plan, such easements and rights of way being shown or noted on the aforesaid recorded plat of the Subdivision, which plat is incorporated by reference and made a part hereof for a more particular description of such easements and rights of way. The easements and right of way areas reserved by Developer on each Lot pursuant hereto shall be maintained continuously by owner but no structures, planting or other material shall be placed or permitted to remain upon such areas of other activities undertaken thereon which may damage or interfere with the installation or maintenance of utilities or other services, of which may retard, obstruct, or reverse the flow of water of which may damage or interfere with established slope relations or create erosion problems. Improvements within such areas also shall be maintained by the respective owner except those for which a public authority of utility company is responsible.

F. The right of the use of utility and service easements and right of way areas as provided and defined herein for any type of cable transmissions service company of organization shall be permitted to service any Lot of Combination of Lots except with the expressed permission of Developer.

Article 11

ARCHITECTURAL STANDARDS AND ARCHITECTURAL STANDARDS COMMITTEE

The board of Directors shall establish an Architectural Standards Committee (hereinafter referred as the "committee") which shall be composed of five (5) members. The developer shall have the right to appoint and remove three (3) members of the Committee so long as the developer continues to own any portion of the Development Area. At such time as the Developer no longer owns any portion of the Development Area, or upon notification by the developer to the Board of Directors that it does not desire to continue to appoint three (3) members of the Committee, all five (5) members shall be appointed or removed, at any time and without cause, by the Board of Directors.

A. No construction, which term shall include within its definition clearing, excavation, grading and other site work, shall take place except in strict compliance with this Article, until the requirements therefore have been fully met, and until the approval of the Committee has been obtained.

B. The Committee shall have exclusive jurisdiction over all original construction on any lot and later changes or modifications, additions or alternations subsequently to be constructed on any Lot or made to any improvements initially approved. The Committee shall prepare and, on behalf of the Board of Directors, shall promulgate architectural standard guidelines ("guidelines") and application and review procedures

("guidelines") and application and review procedures S("procedures"). The guidelines and procedures shall be those of the corporation and the Committee shall have the sole and full authority to prepare and to amend the guidelines and procedures. The committee shall make the guidelines and procedures available to owners, builders and developers who seek to engage in the development o for construction upon the Lots and who shall conduct their operations strictly in accordance therewith.

C. The Committee shall have the absolute and exclusive right to disapprove any plans, specifications of details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions and the guidelines; if the design, color scheme, or location upon the Lot or Lots of the proposed improvements are not in harmony with the general surroundings of adjacent structures; if the plans or specifications submitted are incomplete; or in the event the Committee deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to this Declaration of the owners thereof.

D. The Committee shall approve or disapprove plans, specifications and details submitted in accordance with its procedures within thirty (30) days from the receipt thereof and the decisions of the Committee shall be final and not subject to appeal or review. Provided, however, that plans, specifications and details revised in accordance with the Committee recommendations may be resubmitted for determination by the Committee. In the event that the Committee fails to approve or disapprove plans, specifications and details within thirty (30) days after submissions of the same to the purposes of this Article, shall be deem to have given by the Committee.

E. The Committee, or it's agent, shall have the right to inspect all construction to ensure that it is preformed in strict accordance with the approved plans, specifications and details, the Committee shall issue a certificate of completion to the owner.

F. Nothing contained herein shall be construed to limit the right of an owner to remodel the interior of his residence or permitted pertinent structures, or to paint the interior of the same any color desired.

G. Neither the Developer nor the Committee nor the Board of directors or any architecture agent therefore shall be responsible for any defects in plans, specifications or detail submitted, revised or approved in accordance with the provisions contained herein or in the guidelines, nor for any structural or other defect in any construction.

H. The requirements of this Article shall not constitute a lien or encumbrance on any Lot on which construction is completed, and any subsequent purchaser therefore for value without notice thereof is in no way affected by the failure of his predecessors in the title to comply with the terms hereof. The requirements of this Article shall not apply to the Developer with regard to the original erection of construction of a dwelling on a lot.

I. Nothing contained in this Article shall be deemed as any limitation on the Developers right to designate builders as provided in Article 12 F 23.

ARTICLE 12

RESTRICTIONS ON USE AND OCCUPANCY

A. No Lot shall be used except for single family residential purposes. No structure shall be erected, placed or permitted to remain on less than a numbered Lot other than one (1) detached, single family residence dwelling and such outbuildings as are usually accessory to a single family residence dwelling, including a private enclosed garage with space for not more than three (3) automobiles and a second story for guests and/or servants quarters which garage shall not be rented separately for remuneration. Unenclosed carports, or similar storage structures, shall not be erected, placed or permitted to remain on any Lot.

B. Any dwelling constructed on a Lot subject to these Restrictions shall contain not less than eighteen hundred (1800) square feet of fully enclosed and heated floor area devoted to living purposes (exclusive of roofed or unroofed porches, terraces, garages and any outbuildings).

C. No above-grade structure (except approved fences or walls) may be constructed or placed on any lot except

within the minimum building setback lines as set forth herein:

- (a) Fifty (50) feet from the Lot front line.
- (b) Forty (40) feet from the Lot side line.
- (c) Forty (40) feet from the Lot rear line.

The term "lot front line" defines the boundary line of the Lot that is contiguous to and bounded by the named street as shown on the recorded subdivision plat.

The term "lot rear line" defines the boundary line of the Lot that is farthest from, and substantially parallel to, the line of the street on which the Lot abuts.

The term "lot side line" defines a boundary line that extends from the street on which the Lot abuts to the rear line of the Lot. Developer may consent to variances of setback lines as long as Developer owns Lots in said development area.

An owner of a Lot and a portion or all of an adjoining and contiguous Lot or Lots may construct a dwelling and/or other structures permitted hereunder upon and across the dividing line of such adjoining and contiguous Lots, all such structures to comply within the minimum building setback lines from the actual boundary lines of the subject owner's property, and thereafter such combinations of Lots or portions thereof shall be treated for all purposes under these Restrictions as a single Lot.

D. All plumbing fixtures and sources of sewerage located on a Lot shall be connected to an individual septic tank or other sewer system located upon such and Lot and approved by the appropriate governmental authorities. Each such approved individual septic tank or sewer system shall be maintained in good and proper working order and condition by the owner in accordance with the requirements of governmental authorities having jurisdiction. No outside toilet shall be constructed or permitted on any Lot except during construction as herein expressly provided.

E. The design, size and location of containers for the collection and removal of garbage, trash and other like household refuse shall be subjected to and shall require the approval of the Committee.

F. The following general prohibits and requirements shall apply and control the improvement, maintenance and use of all Lots:

1. No mobile home, trailer, camper, tent, or temporary house, temporary garage or other temporary outbuilding shall be placed or erected on any Lot, provided, however, that the Committee may grant permission for temporary structures for storage of materials during construction. No such temporary structure as may be approved shall be used at any time as a residence.

2. Once construction of a dwelling or other improvements is started on any Lot, the improvements must be substantially completed in accordance with the approved plans and specifications within twelve (12) months from commencement.

3. During construction of improvements on any Lot, adequate portable sanitary toilets must be provided for the construction crew and the Lot must be clean of excess debris at least once a week.

4. All dwellings and permitted structures erected or placed on any Lot shall be constructed of material of good grade, quality and appearance, and all construction shall be performed in good workmanship manner and quality. The exterior of all dwellings and permitted structures shall be either natural wood, stone or brick. The covering of all roofs shall be wood shake shingles or Timberline style shingles or, if approved by the committee, similar dimensional and style shingles. No used structures shall have an exterior constructed of concrete blocks, asbestos, or asphalt siding. Any permitted outbuildings shall be of the same material, quality, general appearance and workmanship as the dwelling on the Lot. The requirements of the Committee shall control all improvements to any Lot as therein specified.

5. Except structures erected by the Developer, no structure erected upon any Lot may be used as a model exhibit or house unless prior written permission to do so shall have been obtained from the Committee.

6. All Lots, whether occupied or unoccupied shall be well maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted.

7. No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any Lot or other area in the subdivision. All garbage, trash and other refuse shall be kept in a clean and covered receptacle located either in the rear of the primary dwelling house or in a building, or other enclosed structure so that the contents thereof shall not be visible from any street and said enclosure shall be so tightly sealed as not to permit the emission of any noxious or offensive odors therefrom.

8. Any dwelling or improvements on any Lot which is destroyed in whole or in part by fire or other casualty must be rebuilt or all debris removed and the Lot restored to a slightly condition with reasonable promptness, provided, however, that in on event shall such debris remain on such Lot longer than three (3) months.

9. No striped, partially wrecked, or junked boat, motor vehicle, or part thereof, shall be permitted to be parked or kept on any Lot. All motor vehicles of any type kept on any Lot shall have current registration and inspection certificates.

10. No vehicle of any type shall be parked on any street in the subdivision. No truck nor other vehicle in excess of one-ton load capacity nor any mobile home, trailer, camper, similar vehicle or boat shall be parked or kept overnight or longer, on any Lot, in such a manner as to be visible to the occupant of other Lots or the users of any street or recreation area. No commercial trucks shall be permitted to be parked on the premises except in the course of a delivery, pick up, or discharge of a specific commercial duty.

11. All fuel storage tanks shall be buried below the surface of the ground and all outdoor receptacles for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept as not to be visible to the occupants of other Lots or the users of any street or recreation area.

12. All outdoor poles, and similar equipment shall screened or so placed as not be visible to the occupants of other Lots or the users of any street or recreation area. No outdoor clotheslines shall be permitted.

13. All recreational equipment and personal property other than automobiles or bicycles must be stored in such a manner as not to be visible from any street or to the occupants of other Lots.

14. Only break-away mail boxes may be constructed in the subdivision, it being the intention of the Developer to preclude the erection of permanently constructed mail boxes in the State of North Carolina right-of-way areas.

15. No sign (excluding typical "For Sale" and builder identification signs or similar signs), billboard or other advertising structure of any kind may be erected or maintained upon any Lot; provided, however, that construction identification signs approved by the Committee showing the Lot number and name of the builder may be exhibited upon the Lot during the period of construction.

16. No radio station or short wave operator of any kind shall operate from any Lot or residence without the prior written approval of the Committee. All radio and television antenna installations shall be approved in writing by the Committee before the antenna is installed. No satellite dishes shall be placed in front yard unless affixed to the roof of the house.

17. All dwelling connections for all utilities including but not limited to, water, electricity, gas, telephone and television shall be underground from the proper connecting points to the dwelling structure in such manner as may be acceptable to the appropriate utility authority.

18. No animals, livestock, or poultry of any kind, except no more than two (2) pleasure horses per Lot, and a total of four (4) household pets per lot, shall be placed, bred or kept on any part of the premises. No dangerous dogs, including but not limited to, Pit Bulls,

Rottweilers, Dobermans and Chows shall be permitted on the premises. Horses shall be kept in horse stables only.

19. The Erection of fences shall require approval of the Committee as provided in Article 11 hereof but no fence shall be erected along the front line of any Lot nor along the side line of any Lot that adjoins a street except a wooden fence of not more than two (2) horizontal rails. No fence of chain link type construction or excess of five feet in height shall be approved by the Committee, except that the Committee, in its sole discretion, may approve fences of chain like construction and up to six feet in height for the purpose of confining pets provided same does not extend more than twenty-five (25) feet in any direction and are constructed within the minimum building setback lines. No fence of chain link construction shall be erected which shall extend closer to the street than the rear corner of a house.

20. Entrance to enclose garage may face in any direction provided that all such garages shall have a door or doors that completely close off the garage entrance and such door or doors shall remain completely close except during periods of actual use of such garage entrance.

21. No window air-conditioning units shall be installed in the side of any structure in such manner as to be visible from any street or recreational area.

22. No noxious, offensive or illegal trade or activity shall be carried on upon any Lot nor shall anything be done on any Lot that shall be or become an unreasonable annoyance or nuisance to other Lot owners or the neighborhood.

23. Developer reserves the right to designate the person to build, alter, place or permit to remain, any structure of any size on any of the designated single family Lots here in described, this including building contractors and subcontractors until Developer sells all Lots. It is the Developer's present intent to participate in the building of all structures on said Lots.

other than one detached single family dwelling not to exceed two stories in height and a private garage for not more than two cars and other outbuildings incidental to residential use of the Lot. Such outbuildings erected, altered, placed or permitted shall be of the same quality, workmanship and materials as the principal dwelling structure, and will be erected and placed to the rear of the dwelling structure. All dwellings shall be located on a permanent, fixed brick foundation having a crawl space for the heated floor space. No cement slabs will be allowed for the heated floor space.

25. All driveways shall be constructed of asphalt or concrete.

26. Developer reserves the right to subject the real property in this subdivision to a contract with South River Electric Membership Corporation for the installation of street lighting, which requires a continuing monthly payment to South River Electric Membership Corporation by each residential customer on a pro-rata basis.

27. All boats and travel and utility trailers shall be stored and placed in a garage, carport, or to the rear of the primary dwelling structure.

28. All trees originally planted on Lots are to be maintained and watered at regular intervals by each individual lot owner.

Article 13

Amenities and facilities

Every park, recreation area, recreation facility, dedicated access and other amenities appurtenant to the Subdivision, whether or not shown and delineated on any recorded plat of the Subdivision, shall be considered private and for the sole and exclusive use of Owners of Lots within the Subdivision. Neither Developer's execution nor the recording of any plat nor any other act of Developer's act of Developer with respect to such areas

is, or is intended to be, or shall be constructed as a dedication to the public of any such areas, facilities or amenities.

Article 14
Waiver

No provision contained in these Restrictions, the Articles or the Bylaws, shall be deemed to have been waived, abandoned, or abrogated by reason of failure to enforce them on the part of any Person as to the same or similar future violations, no matter how often the failure to enforce is repeated.

Article 15
Variations

The Board of Directors in its discretion may allow reasonable variations and adjustment of these Restrictions in order to alleviate practical difficulties and hardship in their enforcement and operation. Any such variations shall not violate the spirit or the intent of this document to create a Subdivision of Lots owned in fee by various Persons with each such Owner having an easement upon areas owned Corporation.

To be effective, a variance hereunder shall be recorded in the Sampson County Register of Deeds office; shall be executed on behalf of the Corporation; and shall refer specifically to this Declaration.

Article 16
Duration, amendment and termination

- A. Developer reserves the right to amend these Declarations of Covenants, Conditions and Restrictions as long as Developers owns lots within the development area.
- B. The covenants and Restrictions contained in this Declaration shall run with and bind the land for a term of twenty (20) years from the date this

Declaration is recorded, after which time, they shall be automatically extended for successive periods of one (1) year. This Declaration may be amended in full or part during the first twenty (20) year 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 percent (75%) of the Lot Owners provided, that no amendment shall alter any obligation to pay Community Expenses to benefit the Community Use Areas, as herein provided, or affect any lien for the payment of same. To be effective any amendment must be recorded in the office of the Register of Deeds of Sampson County; North Carolina and a marginal entry of it must be signified on the face of this document.

- C. Invalidation of any one of these covenants or Restrictions by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Article 17 **Captions**

The captions preceding the various Articles of these Restrictions are for the convenience of reference only, and shall not be used as an aid in interpretation or construction of these Restrictions. As used herein, the singular includes the plural and where there is more than one Owner of a Lot, said Owners are jointly and severally liable for the obligations herein imposed. Throughout this Declaration, references to the masculine shall be deemed to include the feminine, to include the masculine and the neuter to include the masculine and feminine.

Article 18 **Assignability of rights and liabilities**

Developer shall have the right to sell, lease, transfer, assign, license and in any manner alienated or dispose of any rights, interests and liabilities retained, accruing or reserved to it by this

Declaration. Following any such disposition, Developer in no way shall be liable or responsible to any party with regard to any such right, interest or liability or any claim or claims arising out of same in any manner.

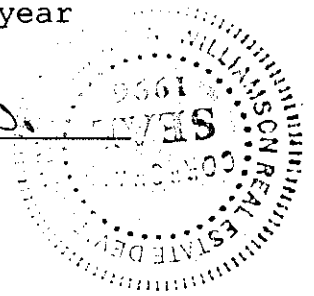
Article 19

Liberal Construction

The provisions of this Declaration shall be construed liberally to effectuate its purpose of creating a Subdivision of fee simple ownership of Lots and buildings governed and controlled by rules, regulations, restrictions, covenants, conditions, reservations and easements administered by an Owners' association with each Owner entitled to and burdened with the rights and easements equivalent to those of other owners.

IN TESTIMONY WHEREOF, Williamson Real Estate Development Company, L.L.C. has caused this instrument to be executed in its corporate name by its Manager, attested by its Secretary, and its corporate seal to be hereto affixed, all by order of its Board of Directors first duly given, this the day and year first above written.

BY: Alicia Williamson
Manager



ATTEST:

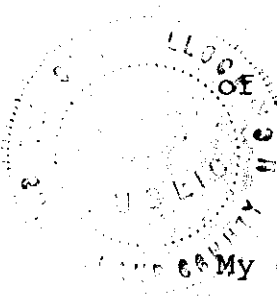
[Signature]
Secretary

STATE OF North Carolina
COUNTY OF Cumberland

I, Rebecca C Bullock a Notary Public in and for said County and State, do hereby certify that on the 15th day of January; 2001, before me personally appeared Alicia Williamson, with whom I am personally acquainted, who, being by me duly sworn, says that she is manager and that Enrique Pardo is Secretary of Williamson Real Estate Development Company, LLC. The corporation described in and which executed the foregoing instrument; that I knows the common seal of said corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the corporation was subscribed thereto by the said manager; that the said manager and Secretary subscribed their names thereto and the said common seal was affixed, all by order of the Board of Directors of said corporation; and that the said instrument is the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 15th day of January, 2001.

Rebecca C Bullock
Notary Public



My commission Expires:
~~My Commission Expires September 2, 2002~~

STATE OF North Carolina

COUNTY OF Sampson

The foregoing certificate of Rebecca C. Bullock, a Notary Public of Cumberland County, North Carolina, is certified to be correct. This instrument was presented for registration this day and hour and duly recorded in the office of the Register of Deeds of Sampson County, North Carolina in Book 1378 Page 530.

This the 16th day of January, 2001, at 9:30 O'clock A M.

Mae H. Troublefield
Register of Deeds.
By: Adell P. Wright, Deputy