



FOR REGISTRATION REGISTER OF DEED  
JENNIFER H. MACNEISH  
NEW HANOVER COUNTY, NC  
2011 JUN 02 02 19 57 PM  
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INSTRUMENT # 2011015105

STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

**THIS DECLARATION**, made this the 26<sup>th</sup> day of May, 2011, by INMAN PARK, LLC, a North Carolina limited liability company, hereinafter referred to as "**Declarant**",

**WHEREAS, Declarant** is the owner of certain property in New Hanover County, North Carolina, which is more particularly described as follows

BEING all of the lots and common area as shown on a map thereof recorded in Map Book 56 at Page 17 in the Office of the Register of Deeds of New Hanover County, North Carolina, for Inman Park, LLC, reference to which is made for a more particular description

**NOW, THEREFORE, Declarant** hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof

**ARTICLE I**

**DEFINITIONS**

As used herein, the following terms shall mean

**Section 1 ADDITION PROPERTY** shall mean and refer to any lands which are now Owned or may be hereafter acquired or developed by Declarant, in addition to the above described Property, and annexed to and made a part of the Development (as hereinafter defined) pursuant to the provisions of this Declaration

**Section 2. ASSOCIATION** shall mean and refer to Inman Park Townhomes Homeowners Association, Inc , a North Carolina non-profit corporation, its successors and assigns, the owners association organized for the purposes set forth herein

**Section 3 ASSESSMENTS** shall mean the Annual, Special insurance, Ad Valorem and Working Capital Assessments provided for in this Declaration,

**Section 4. COMMON AREA** shall mean and refer to all real property owned by the Association for the common use and enjoyment of the owners The Common Area to be owned by the Association at the time of the conveyance of the first building site shall be all the area designated as "Common Area" on the plat of **INMAN PARK TOWNHOUSE**, if any, recorded or to be recorded in the New Hanover County Registry, a copy of which is hereto attached marked Exhibit "A" and incorporated by reference,

**Section 5. TOWNHOUSE LOT** shall mean and refer to any numbered townhouse lot shown upon the recorded plat of **INMAN PARK TOWNHOUSE** and any additions thereto now or hereafter recorded in the New Hanover County Registry, including any and all improvements located thereon

**Section 6. DECLARANT** shall be used interchangeably with **Developer** (which designations shall include singular, plural, masculine, feminine and neuter as required by the context) to mean and refer to INMAN PARK, LLC, and their heirs and assigns

PREPARED BY & RETURN TO  
\* ALLEN, MACDONALD & DAVIS, PLLC  
1508 MILITARY CUTOFF ROAD  
SUITE 102  
WILMINGTON, NC 28403

**Section 7.**        **DECLARATION** shall mean this instrument as it may be from time to time amended or supplemented

**Section 8**        **DEVELOPMENT** shall mean the Property plus any Additional Property

**Section 9.**        **LIMITED COMMON AREA AND FACILITIES** shall mean those portions of the Common Area that serve only a certain lot, and which may include, but specifically is not limited to driveways, turn around areas, walkways, parking lots or storage areas serving only specified townhouse lots, and such other similar areas as may be designated by the Association

**Section 10**       **LOT** shall mean and refer to any numbered lot within the Development, together with the dwelling situated thereon

**Section 11.**       **MEMBERSHIP** shall mean and refer to the rights, privileges, benefits, duties and obligations which shall inure to the benefit of and burden each member of the Association

**Section 12.**       **MEMBER** shall mean and refer to every person or entity who has a membership in the Association

**Section 13.**       **OWNER** shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any building site which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation

**Section 14.**       **PROPERTIES** shall mean and refer to all of **INMAN PARK TOWNHOUSE** as described above

**Section 15**       **TOWNHOUSE OR TOWNHOME** shall mean the dwelling located on a Lot

## ARTICLE II

### PROPERTY RIGHTS

**Section 1. Owners' Easements of Enjoyment** Every owner shall have a right and easement of enjoyment in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every townhouse lot, subject to the following provisions

- a     The right of the Association to suspend the voting rights and privileges of an owner for any period during which any assessment against his townhouse lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations,
- b     The right of the Association to mortgage or convey the Common Area, or to dedicate or transfer all or part of the Common Area, if any, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective until approved by a vote of at least two-thirds (2/3) of the members, excluding the **Developer**, as indicated in an instrument executed by the corporation and recorded in the New Hanover County Registry
- c     The right of the Association to impose regulations for the use and enjoyment of the Common Area, if any, and improvements thereon, which regulations may further restrict the use of the Common Area

**Section 2. Delegation of Use** Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property

## ARTICLE III

### EASEMENTS

**Section 1**        Perpetual easements are reserved as necessary in the Properties and the Common Areas thereof for installation and maintenance of underground facilities and drainage facilities

**Section 2.**       **Easement and Right of Entry for Repair, Maintenance and Reconstruction**

Every owner shall have an easement and right of entry upon the Common Areas or limited Common Areas adjacent to his townhouse lot whether said limited Common Area is appurtenant to his townhouse lot or not to the extent reasonably necessary to perform repairs, maintenance, inspection or reconstruction of any improvements which are situated on the townhouse lot. Such repairs, maintenance or reconstruction shall be done expeditiously, and upon completion of the work, the owner shall restore the Common Areas or limited Common Areas to as near or the same condition as that which prevailed prior to commencement of the work as is reasonably practicable. Said easement shall also exist in favor of utility personnel for purposes of reading meters and the like.

**Section 3** In the event that any improvements on any townhouse lot shall encroach upon any of the Common Areas or limited Common Areas not part of that particular lot, then an easement appurtenant to such townhouse lot shall exist for the continuance of such encroachment upon the Common Areas and/or limited Common Areas for so long as such encroachment shall naturally exist, and in the event that any portion of the Common Areas and/or limited Common Areas shall encroach upon any townhouse lot, then an easement shall exist for the continuance of such encroachment of the Common Areas and/or limited Common Areas upon such townhouse lot for so long as such encroachment shall naturally exist.

**Section 4** Each lot and all common areas and facilities are hereby subjected to an easement for the repair, maintenance, inspection, removal, or other service of or to all electricity, television, telephone, water, sewer, utility, and drainage whether or not the cause of any or all of those activities originates on the unit in which the work must be performed.

**Section 5.** Ingress and egress is reserved for pedestrian traffic flow over, through and across sidewalks, pathwalks and lanes as the same from time to time may exist upon the common areas and facilities and for vehicular traffic over, through and across all streets as from time to time may be paved and intended for such purposes, for all lot owners in **INMAN PARK TOWNHOUSE**, their guests, families, invitees and lessees, the Association, the Declarant its successors and assigns.

**Section 6.** An easement is hereby granted to all police, fire protection, ambulance and all similar persons, companies or agencies performing emergency services to enter upon the lots and common area in the performance of their duties.

**Section 7.** In case of any emergency originating in or threatening any structure or building on any lot or the common areas and facilities, regardless whether the lot owner is present at the time of such emergency, the Board of Directors or any other person authorized by it, shall have the right to enter any lot for the purpose of remedying or abating the causes of such emergency and making any other necessary repairs not performed by the lot owners, and such right of entry shall be immediate.

**Section 8.** All easements and right described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in said land, or any part or portion thereof, regardless of whether or not reference to said easement is made in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration.

## ARTICLE IV

### **HOMEOWNERS' ASSOCIATION**

**SECTION 1 Formation of Association** The Association is a nonprofit corporation organized pursuant to the Nonprofit Corporation Act of the State of North Carolina for the purpose of establishing an association for the Owners of Lots to own, operate and maintain the Common Areas and any Limited Common Areas in accordance with this Declaration, its Charter and Bylaws.

**SECTION 2 Membership** Every Lot Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from Lot ownership.

**SECTION 3 Voting Rights** The Association shall have two classes of voting Membership.

**Class A** Class A Members shall be all Owners, with the exception of the Declarant, 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 determined, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting with respect to any Lot is hereby prohibited.

Class B The Declarant shall be a Class B Member and shall be entitled to three (3) votes for each Lot owned The Class B Membership shall cease and be converted to Class A Membership on the happening of any of the following events, whichever occurs earlier

(a) when the total vote outstanding in the Class A Membership equals the total vote outstanding in the Class B Membership, or

(b) on December 31, 2018, or

(c) upon the voluntary surrender of all Class B Membership by the holder thereof

## ARTICLE V

### COVENANTS FOR ASSESSMENTS

**Section 1. Creation of the Lien and Personal Obligation for Assessments** The Declarant, for each townhouse lot owned within the properties, hereby covenants and agrees to pay and each owner of any townhouse 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

- a Annual assessments or charges, and
- b Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, and
- c Insurance assessments as hereinafter provided, and
- d To the appropriate governing taxing authority, a pro rata share of ad valorem taxes levied against the Common Area, if any

The annual, special and insurance 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 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 the townhouse lot's owner's successors in title unless expressly assumed by them

**Section 2. Purpose of Assessments** The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the owners in the properties and for the improvement and maintenance of all easements, utilities and the Common Area The funds arising from said assessments or charges may be used for any or all of the following purposes Maintenance and improvement of the common areas and limited common areas, driveways, drainage and utility easements and rights of way and enforcing these restrictions, and, in addition, doing any other things necessary or desirable in the opinion of the Association to keep the property in neat and good order and to provide for the health, welfare and safety of owners of **INMAN PARK TOWNHOUSE**

**Section 3. Annual Assessments** Annual assessments shall be in an amount to be fixed from year to year by the Board of Directors which may establish different rates from year to year as it may deem necessary for the purposes set forth in **Section 2** above The amount of the annual assessment against each townhouse lot for any given year shall be fixed at least 30 days in advance of the annual assessment period, provided, however, that the first annual assessment shall be set by the Declarant and shall be One Hundred Fifty Dollars (\$150 00) per lot, per month

Written notice of each annual assessment thereafter shall be sent to every owner subject thereto The due date shall be established by the Board of Directors and the Board of Directors shall have the authority to require the assessments to be paid in pro rata monthly installments The Association shall, upon demand, and for a reasonable charge furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified townhouse lot have been paid

- a From and after January 1 of the year immediately following the conveyance of the first townhouse lot to an owner, the annual assessment may be increased each year not more than five per cent (5%) above the assessment for the previous year without a vote of the membership, except as herein provided

- b From and after January 1 of the year immediately following the conveyance of the first townhouse lot to an owner, the maximum annual assessment may be increased each year above five per cent (5%) 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
- c The Board of Directors may fix the annual assessment at an amount not in excess of the assessment for the previous year plus an increase of five percent (5%)

**Section 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 the 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 the members who are voting in person or by proxy at a meeting duly called for this purpose

**Section 5. Insurance** It shall be the duty of the Association to maintain in effect casualty and liability insurance as follows

a Amount and Scope of Insurance The Board of Directors shall determine that there is in place at all times for the benefit of the respective owners insurance policies upon the properties (except personal property within a unit) which shall cover the property against (i) loss or damage by fire or other hazards normally insured against, and (ii) such other risks including public liability insurance as from time to time shall be customarily required by private institutional mortgage investors for projects similar in construction, location and use of this particular property and the improvements thereon, all under such terms and conditions as the responsible authority shall determine. However, such liability coverage shall be for at least \$1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common areas and legal liability arising out of law suits relating to the employment contracts of the Association. The foregoing shall not preclude the Board from obtaining insurance coverage on all or a portion of the limited common areas and facilities. In obtaining such coverage the responsible authority shall consider the reasonable requirements of holders of first liens on individual Lots

The Board of Directors, by unanimous vote, may permit the individual lot owners to secure individual policies for the insurance coverages set forth above, provided, the Board of Directors shall have the right to review and approve said policies as to the sufficiency of their coverage

b Insurance Provisions The Board of Directors shall make diligent efforts to ensure that said insurance policies provide for the following

(1) A waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent or employee of the Association, the Lot owners and their employees, agents, tenants and invitees

(2) A waiver by the insurer of its right to repair and reconstruct instead of paying cash

(3) Coverage may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty days prior written notice to the named insured and all mortgagees

(4) Coverage will not be prejudiced by act or neglect of the Lot owners when said act or neglect is not within the control of the Association or by any failure of the Association to comply with any warranty or condition regarding any portion of the property over which the Association has no control

(5) The master policy on the property cannot be canceled, invalidated or suspended on account of the conduct of any one or more individual Lot owners

(6) The master policy on the property cannot be canceled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors without prior demand in writing that the Board of Directors cure the defect and the allowance of a reasonable time thereafter within which

the defect may be cured by the Association any townhouse lot owner or any mortgages

- c            Premiums All insurance policy premiums on the property for the benefit of the Association purchased by the Board of Directors or its designee and any deductibles payable by the Association upon loss shall be a common expense and the Association shall levy against the Owners equally as an additional annual assessment, (herein called "Insurance Assessment") which shall be in addition to the amounts provided for under Section 3 above, an amount sufficient to pay the annual cost of all such insurance, premiums
  
- b            Proceeds All insurance policies purchased pursuant to these provisions shall provide that all proceeds thereof shall be payable to the Board as insurance trustee or to such attorney-at-law or institution with trust powers as may be approved by the Board of Directors
  
- d            Policies All insurance policies purchased by the Board of Directors shall be with a company or companies permitted to do business in the State of North Carolina and holding a rating of "A" or better by the current issue of Best's Insurance reports All insurance policies shall be written for the benefit of the Board of Directors and Townhouse Lot owners and their mortgagees as their respective interests may appear, and shall provide that all proceeds thereof shall be payable to the Board of Directors and duplicates of said policies and endorsements and all renewals thereof, or certificates thereof, together with proof of payment also premiums, shall be delivered to the Owners at least ten (10) days prior to the expiration date with respect to the then current policies Duplicates shall also be obtained and issued by the Association to each mortgagee, if any, upon request of such mortgagee at any time

**Section 6. Distribution of Insurance Proceeds** Proceeds of insurance policies shall be distributed to or for the benefit of the beneficial owners in the following manner

- a            Expenses of Trust All reasonable expenses of the insurance trustee shall be first paid or provision made therefor
  
- b            Reconstruction or Repair The remaining proceeds shall be used to defray the cost of repairs for the damage or reconstruction for which the proceeds are paid Any proceeds remaining after defraying such cost shall be distributed to the beneficial owners, including lien holders of record, or retained by the Association for such common expenses or purposes as the Board shall determine

**Section 7. Notice and Quorum for any Action Authorized Under Sections 3 and 4** Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 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 members or of proxies entitled to cast sixty per cent (60%) of all the votes of each class of membership shall constitute a quorum

**Section 8. Uniform Rate of Assessment** Both annual and special assessments must be fixed at a uniform rate for all townhouse lots and may be collected on a monthly basis

**Section 9. Commencement of Assessments** Assessments for each townhouse lot shall commence upon the date of acceptance by an owner of a deed from **Declarant**. **Declarant** shall not be required to pay maintenance assessments on unsold townhouse lots retained by the **Declarant**, except for those townhouse lots retained for rental purposes for which **Declarant** shall pay maintenance assessments which shall commence upon the date the same are occupied by a tenant

**Section 10. Effect of Nonpayment of Assessments and Remedies of the Association** Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate allowable by law The Association may bring an action at law against the owner personally obligated to pay the same, and/or foreclose the lien against the property and may pursue any other legal or equitable remedy available No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or by abandoning his townhouse lot

**Section 11. Subordination of the Lien to Mortgage** The lien of the assessments provided for

herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any townhouse lot shall not affect the assessment lien. However, the sale or transfer of any townhouse lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such townhouse lot from liability for any assessments thereafter becoming due or from the lien thereof.

**Section 12. Working Capital Assessment** At the time title is conveyed to an owner, each owner shall contribute to the Association as a working capital reserve an amount equal to a two months estimated dues or assessments. Such funds shall be used solely for initial operating and capital expenses of the Association, such as pre-paid insurance, supplies, repairs and improvements of the common areas and facilities, furnishings and equipment, etc. Amounts paid into the working capital fund are not to be considered as advance payment of regular assessments. Any working capital funds remaining at the end of the first full operating year shall be transferred to and become part of the general funds of the Association, in the discretion of the Board of Directors.

## ARTICLE VI

### RIGHTS OF DEVELOPER'S CONTROL

**Section 1. Developer's Rights** All duties and responsibilities conferred upon the Architectural Control Committee by this Declaration or the By-Laws of the Association shall be exercised and performed by the **Declarant** or its designee, so long as **Declarant** shall own any townhouse lot in the Properties or any additions annexed thereto by Supplemental Declaration or Amendment to this Declaration.

**Section 2. The Association/Period of Declaration Control** All the powers and duties of the Board of Directors of the Association may be exercised by the Declarant, and the Developer shall appoint all members of the Board of Directors, until such time as seventy percent (70%) of the Lots within the Development have been sold or conveyed by the Declarant to purchasers, or until December 31, 2018 whichever occurs first, (the "Developer's Control Period"). Management and control can be voluntarily transferred by Declarant to the Owners at any time.

**Section 3. Building and Site Improvements** No building, wall, signs, fixtures or other structure shall be commenced, erected, or maintained upon any townhouse lot in the Properties, nor shall any exterior addition to or change in or alteration therein (including painting or repainting of exterior surfaces) be made until the plans and specifications showing the nature, kind, shape, heights, materials, colors, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the **Declarant**, or its designee, or after the sale of all townhouse lots by **Declarant**, by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. In the event the **Declarant**, or its designee, or, if applicable, the Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days 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. Refusal of approval of any such plans, location or specification may be based upon any ground, including purely aesthetic and environmental considerations, that in the sole and uncontrolled discretion of the **Declarant** or Architectural Control Committee shall be deemed sufficient. One copy of all plans and related data shall be furnished to the **Declarant** or Architectural Control Committee, as the case may be, for its records. Neither the **Declarant** nor the Architectural Control Committee shall be responsible for any structural or other defects in plans or specifications submitted to it or any structure erected according to such plans and specifications.

**Section 4. Maintenance by the Association** The Association at its expense shall be responsible for maintaining, repairing and replacing any improvements within the Common Areas. The Association shall have the right to go on to the townhouse lots at reasonable times for the purpose of maintaining, repairing and replacing all utility and drainage lines and pipes which might be located on such townhouse lots and each owner hereby grants permission to the Association to enter his townhouse lot for such purposes. In the event that such need for maintenance, repair or replacement is caused through the wilful or negligence act of an owner, his family guests or invitees, the cost of such maintenance, repair or replacement shall be added to and become part of the assessment to which such townhouse lot is subject. Notwithstanding the foregoing, the Association shall have the right to recover through legal action costs of such maintenance, repair or replacement, including interest, Court costs and reasonable attorney's fees from those persons legally responsible for causing damage to the property of the Association.

The Association shall maintain all Common Areas, including roadways, plantings and shrubbery, boardwalks or walkways located thereon and lighting fixtures and shall pay all costs of operation thereof,

including premiums associated with general liability insurance insuring the Association from liability arising from ownership and operation thereof

In addition to maintenance upon the common area, the Association shall provide exterior maintenance upon each lot which is subject to assessment hereunder as follows paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces, decks, including floating docks, piers and pilings, bulkheads and other exterior improvements Such exterior maintenance shall include glass surfaces

In the event that the need for maintenance, repair or replacement on any individual lot is caused through the willful, or negligent act of the Owner, his family, guests or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles, and smoke, as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage Insurance Policies, the cost of such maintenance, replacement, or repairs, shall be added to and become a part of the assessment to which such lot is subject

Each owner shall be responsible for and maintain the interior of all buildings and other improvements located on his townhouse lot, including, but not limited to heating and air conditioning system

**Section 5.** Since the establishment of inflexible building setback lines for location of houses on lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view preservation of important trees and other vegetation, ecological and related considerations, no specific setback lines are established by these Restrictions In order to assure, however, that the foregoing considerations are given maximum effect, the site and location of any house or dwelling or other structure upon any lot shall be controlled by and must be approved absolutely by the architectural control committee

**Section 6.** The exterior of all houses and other structures must be completed within twelve (12) months after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder, due to strikes, fires, national emergency or natural calamities

**Section 7.** No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any lot other than a single family dwelling not to exceed two (2) stories in height, without the express written permission of the architectural control committee

**Section 8.** All service utilities, fuel tanks, clothes lines, wood piles and trash and garbage accumulations are to be enclosed within a fence, wall or plant screen of a type and size approved by the architectural control committee, so as to preclude the same from causing an unsightly view from any highway, street or way within the subdivision, or from any other residence within the subdivision

**Section 9.** Off street parking for not less than one (1) passenger automobiles will be provided as limited common area of each lot prior to the occupancy of any dwelling constructed on said lot

## ARTICLE VII

### USE RESTRICTIONS

**Section 1. Land Use and Building Type** All lots shall be used for single family residential purposes No building shall be erected, altered, placed or permitted to remain on any lot other than one single family dwelling not to exceed two stories in height Any building erected, altered, placed or permitted to remain on any lot shall be subject to the provisions of this Declaration of Covenants, Conditions and Restrictions relating to architectural control

**Section 2. Nuisances** No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood

**Section 3. Junk Vehicles** No inoperable vehicle or vehicle without current registration and insurance will be permitted on the premises The Association shall have the right to have all such vehicles towed away at the owner's expense

**Section 4. Signs Prohibited** No "For Sale" signs other than routine "For Sale" signs shall be permitted on any lot or in the common areas and facilities.

**Section 5. Temporary Structures** No structure of a temporary character, trailer basement, tent, shack, garage, barn or other outbuilding shall be used on any lot any time as a residence either temporarily or permanently

**Section 6. Animals** No animals, livestock or poultry of any kind shall be kept or maintained on any lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and provided further that they are not allowed to run free and are at all times properly leashed and personally escorted

**Section 7. Outside Antennas** No outside radio or television antennas shall be erected on any lot or dwelling unit within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association or its architectural control committee

**Section 8. Exterior Lights** All light bulbs or other lights installed in any fixture located on the exterior of any building or any lot shall be clear, white, or non-frost lights or bulbs

**Section 9. Municipal Water and Sewer** Water service and sewer service for the Development will be provided by the City of Wilmington through CFPWA

**Section 10. Garbage/Trash** All garbage and trash shall be kept in containers and stored in garages or otherwise concealed from view from the front of each lot except on garbage or trash collection days when the same shall be placed in the appropriate place for collection

### ARTICLE VIII

**Section 1. Party walls** Each wall which is built as a part of the original construction of the townhouses upon the properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto

**Section 2. Sharing of Repair and Maintenance** The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use

**Section 3. Destruction by Fire or Other Casualty** If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission

**Section 4. Weatherproofing** Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such element

**Section 5. Right to Contribution Runs With Land** The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title

**Section 6. Arbitration** In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decisions shall be by a majority of all the arbitrators

### ARTICLE IX

#### RIGHTS OF INSTITUTIONAL LENDERS

**Section 1** "Institutional Lender" or "Institutional Lenders", as the terms are used herein, shall mean and refer to banks, savings and loan associations, savings banks, insurance companies, the Veterans Administration, the Federal Housing Authority, the Federal National Mortgage Association and other reputable mortgage lenders and guarantors and insurers of such first mortgages So long as any Institutional Lender or Institutional Lenders shall hold any mortgage upon any townhouse lot, or shall be the owner of any townhouse lot, such Institutional Lender or Institutional Lenders shall have the following rights

- c To be furnished with at least one copy of the Annual Financial Statement and Report of the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such financial statement and report to be furnished by April 15 of each calendar year.
- d To be given notice by the Association of the call of any meeting of the membership to be held for

the purpose of considering any proposed Amendment to the Declaration, or the Articles of Incorporation and By-Laws of the Association, which notice shall state the nature of the amendment being proposed, and to be given permission to designate a representative to attend all such meetings

- e To be given notice of default in the payment of assessments by any owner of a townhouse lot encumbered by a mortgage held by the Institutional Lender or Institutional Lenders, such notice to be given in writing and to be sent to the principal office of such Institutional Lender or Institutional Lenders, or to the place which it or they may designate in writing to the Association
- f To inspect the books and records of the Association and the Declaration, By-Laws and any Rules and Regulations during normal business hours, and to obtain copies thereof
- g To be given notice by the Association of any substantial damage to any part of the Common Area
- h To be given notice by the Association if any portion of the Common Area is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority

**Section 2** Whenever any Institutional Lender, guarantor or insurer desires the benefits of the provisions of this section requiring notice to be given or to be furnished a financial statement, such lender shall serve written notice of such fact upon the Association by registered mail or certified mail addressed to the Association and sent to its address stated herein, or to the address of the property, identifying the townhouse lot upon which any such Institutional Lender or Institutional Lenders hold any mortgage or mortgages, or identifying any townhouse lot owned by them, or any of them, together with sufficient pertinent facts to identify any mortgage or mortgages which may be held by it or them, and which notice shall designate the place to which notices are to be given by the Association to such Institutional Lender

## **ARTICLE X**

### **GENERAL PROVISIONS**

**Section 1. Enforcement** The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, covenants, conditions, reservations liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by an owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter

**Section 2. Enforcement of Storm Water Runoff Regulations** The State of North Carolina and/or the City of Wilmington is hereby made a beneficiary of this Declaration to the extent necessary to enforce its storm water runoff regulations as the same may be amended from time to time

**Section 3. Severability** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect

**Section 4. Townhouse lots Subject to Declaration** All present and future owners, tenants and occupants of townhouse lots and their guests or invitees, shall be subject to, and shall comply with the provisions of the Declaration, and any amendments. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any townhouse lot shall constitute an agreement that the provisions of the Declaration are accepted and ratified by such owner, tenant or occupant. The covenants and restrictions of this Declaration shall inure to the benefit of and be enforceable by the Association, or the owner of any townhouse lot, their respective legal representatives, heirs, successors and assigns, and shall run with and bind the land and shall bind any person having at any time any interest or estate in any townhouse lot, as though such provisions were made a part of each and every deed of conveyance or lease, 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

**Section 5. Amendment of Declaration** Except as provided in **Article X, Section 6**, below, and elsewhere herein, the covenants and restrictions of this Declaration may be amended only by an instrument duly recorded in the Office of the Register of Deeds of New Hanover County executed by the duly authorized officers of the Association upon the vote of not less than two-thirds (2/3) of the townhouse lot owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect any lien for the payment thereof established herein. In no event may the Declaration be amended so as to deprive the **Declarant** of any rights herein granted or reserved unto

**Declarant**

**Section 6. Amendments by the Declarant** The following amendments may be effected by the **Declarant**, or the Board, as the case may be, without consent of the members

- a Prior to the sale of the first townhouse lot, this Declaration may be amended by the **Declarant**
- b The Board may amend this Declaration to correct any obvious error or inconsistency in drafting, typing or reproduction
- c The **Declarant**, so long as it shall retain control of the Association, shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any townhouse lots and improvements thereon for mortgage or improvement loans made, insured or guaranteed by a governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of the United States Government or the State of North Carolina, regarding purchase or sale of such townhouse lots and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of property, including, without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare A letter from an official of any such corporation or agency, including, without limitation, the Veterans Administration, the United States Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association requesting or suggesting an amendment necessary to comply with the requirements of such corporation or agency shall be sufficient evidence of the approval of such corporation or agency, provided that the changes made substantially conform to such request or suggestion
- d The Declaration, for so long as it shall retain control of the Association, and, thereafter, the Board of Directors, may amend this Declaration as shall be necessary, in its opinion, and without the consent of any owner, to qualify the Association or the Property, or any portion thereof, for tax-exempt status
- e The **Declarant** for so long as it has control of the Board may amend this Declaration to include any platting change of the Property as permitted herein

**IN WITNESS WHEREOF**, this Declaration has been executed by Developer, as of this the \_\_\_ day and year first above written

INMAN PARK, LLC  
a North Carolina limited liability company

By: *Earl M. Worsley, Jr.*  
EARL M. WORSLEY, JR., Manager

STATE OF NORTH CAROLINA  
COUNTY OF NEW HANOVER

I certify that the following persons personally appeared before me this day, acknowledging to me that they voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Earl M. Worsley Jr., Manager of INMAN PARK, LLC, a North Carolina limited liability company [CHECK ONE]  (i) I have personal knowledge of the identity of the principal, or  (ii) I have seen satisfactory evidence of the principal's identity by a current state or federal identification, with the principal's photograph, in the form of a \_\_\_\_\_



Date May 26, 2011

*Marie V. Raynor*  
Notary Public Signature

Marie V. Raynor  
Notary Public's Printed Name

(Official Seal of Notary)

My Commission Expires. 6-13-2015



JENNIFER H MACNEISH  
REGISTER OF DEEDS, NEW HANOVER  
216 NORTH SECOND STREET

WILMINGTON, NC 28401

\*\*\*\*\*

**Filed For Registration:** 06/02/2011 02:19:57 PM  
**Book:** RE 5566 Page 2763-2774  
**Document No.:** 2011015105  
12 PGS \$44.00  
**Recorder:** JOHNSON, CAROLYN

State of North Carolina, County of New Hanover

PLEASE RETAIN YELLOW TRAILER PAGE WITH ORIGINAL DOCUMENT.

**\*2011015105\***

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