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NORTH CAROLINA
NEW HANOVER COUNTY

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
SUMMER HAVEN POINT**

This Declaration is made this 2nd day of November, 1994 by **GALARDE & COMPANY, INC.**, a North Carolina corporation, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, the Declarant is the owner of certain real property located in Harnett Township, New Hanover County, North Carolina (hereinafter referred to as "the Property"), which is identified as **SUMMER HAVEN POINT** as per map thereof recorded in Map Book 34 at Page 170, New Hanover County Registry, to which map reference is hereby made for a more particular description.

NOW, THEREFORE, the Declarant hereby declares that all of the Property 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 Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and which shall inure to the benefit of each owner thereof.

ARTICLE I.

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DEFINITIONS

SECTION 1. Architectural Control Committee shall mean and refer to a committee of lot owners appointed by the Board of Directors of the Association, which committee shall be responsible for the review and approval of all plans and specifications for the construction of dwellings on Lots.

SECTION 2. Association shall mean and refer to **SUMMER HAVEN POINT HOMEOWNERS ASSOCIATION, INC.**, a North Carolina non-profit corporation, its successors and assigns, the owners' association organized for the mutual benefit and protection of the Property and the owners of lots therein. All owners of lots in **SUMMER HAVEN POINT** and any adjoining areas hereafter developed and subjected to this Declaration, if any, shall be members of the Association, which membership shall be appurtenant to and may not be separated from the ownership of such lot.

SECTION 3. 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 lot shall be all of the area, if any, designated as "Common Area" on the plat of **SUMMER HAVEN POINT**.

RETURNED TO *Franklin E. Martin*

Until dedicated to public use and acceptance thereof, the roadway shown on the above-referenced map shall be owned by the Association as Common Area.

SECTION 4. Declarant shall be used interchangeably with "Developer" (which designations may be used herein in the third person neuter for convenience only, but such terms shall include singular, plural, masculine and neuter as required by the context) to mean and refer to GALARDE & COMPANY, INC., its successors and assigns, if such successors or assigns should acquire undeveloped Property from the Declarant for the purpose of development.

SECTION 5. Declaration shall mean this instrument as it may be from time to time be amended or supplemented.

SECTION 6. Lot shall mean and refer to any of the numbered Lots in SUMMER HAVEN POINT as shown on any recorded map thereof.

SECTION 7. Member shall mean and refer to every person or entity who has a membership in the Association.

SECTION 8. Membership shall mean and refer to the rights, benefits, duties and obligations which shall inure to the benefit of, and burden, each member of the Association.

SECTION 9. Owner shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 10. Property shall mean and refer to the real property shown on the map entitled "Summer Haven Point" recorded in Map Book 34 at Page 170, New Hanover County Registry, together with any additional real property which may hereafter be made subject to these restrictions, as the same may be amended from time to time and subjected to the jurisdiction of SUMMER HAVEN POINT HOMEOWNERS ASSOCIATION, INC.

SECTION 11. Residence and/or Dwelling shall mean a single-family residence.

ARTICLE II.

APPLICABILITY

These restrictions shall apply to all Lots and Common Area in SUMMER HAVEN POINT.

ARTICLE III.**PROPERTY OWNERS ASSOCIATION**

SECTION 1. General Powers. In addition to, and not in limitation of, any powers granted to the Association in its Charter or By-Laws, the Association shall have the right and the responsibility for maintaining roads, traffic control, utility locations, the Common Area and common community services and general planting within roadway areas and the Common Area located within **SUMMER HAVEN POINT** and shall have all powers necessary to enforce the conditions, covenants, restrictions and reservations set forth in this Declaration. Each Owner, in accepting a deed or contract to purchase any Lot in **SUMMER HAVEN POINT**, agrees to become and shall be, so long as such person or entity owns a Lot, a member of the Association and agrees to abide by and be subject to all of the terms of this Declaration and the Charter, By-Laws and rules and regulations of the Association.

SECTION 2. Maintenance of Common Areas. The Association shall also, at its expense, be responsible for maintaining, repairing and replacing planted common areas, entry landscaping and the storm water drainage system, including all swales, berms and ditches which are on the Property, except those constructed by individual Lot Owners and those located within individual Lots. The Association shall have the right to go onto the Lots at reasonable times for the purpose of maintaining, repairing or replacing all utility and drainage systems which may be located on such Lots; and each Owner hereby grants the Association permission to enter his Lot for such purposes. In the event that maintenance, repair or replacement is caused through the willful or negligent act of the Owner, his family, guests or invitees, the cost of such maintenance, repair or replacement shall be added to and become a part of the assessment to which such Owner's Lot is subject. The Association shall maintain all Common Area, including the roadway, plantings and shrubbery located thereon, 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.

ARTICLE IV.**PROPERTY RIGHTS**

SECTION 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following conditions:

A. The right of the Association to suspend the voting rights and privileges of an Owner (1) for any period during which any assessment against his Lot remains unpaid; and (2) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

B. ⁰⁸²⁶ ⁰⁷⁶⁷ The right of the Association to dedicate or transfer all or part of the Common Area 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 vote of at least four-fifths (4/5) of the members as indicated in an instrument executed by the Association 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 and improvements thereon, which regulations may further restrict the use of the Common Area.

ARTICLE V.

EASEMENTS

SECTION 1. Access. Declarant hereby reserves unto itself, its successors and assigns, perpetual, alienable easements over all roadways and Common Area as necessary to provide access, ingress and egress.

SECTION 2. Drainage. Perpetual, alienable easements are reserved as necessary in the Property and the Common Area thereof for the installation and maintenance of any required drainage facilities.

SECTION 3. Emergency.

A. 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 Property and Common Area in the performance of their duties.

B. In case of an emergency originating on or threatening any Property or the Common Area, regardless of whether any 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 immediately 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.

SECTION 4. Utilities. The Declarant reserves unto itself, its successors and assigns:

A. A perpetual, alienable and releasable easement and right on, over and under the ground with men and equipment to erect, maintain, inspect, repair and use electric and telephone poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public conveniences or utilities on, in or over each Lot and such other areas as are shown on the plat of the Property recorded or to be recorded in the office of the Register of Deeds of New Hanover County; provided further, that the Declarant may

cut drainways for surface water whenever action may appear to the Developer to be necessary in order to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, to make any grading of the soil or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. It further reserves the right to locate wells, pumping stations and tanks within residential areas on any walkway or on any residential Lot now or subsequently designated for such use or to locate same upon any Lot with the permission of the Owner of such Lot. Such rights may be exercised by any licensee of the Declarant, but this reservation shall not be considered an obligation of the Declarant to provide or maintain any such utility or service.

B. The right to subject the Property in this Subdivision to contracts with Carolina Power & Light Company, Southern Bell Telephone & Telegraph Company and/or other utilities companies for installation and maintenance of street lighting, electricity, telephone and other utilities services, which contracts may require continuing monthly payments to the appropriate utilities companies by the Association or the individual Owners, as the case may be.

SECTION 5. Easements Run With Land. All easements and rights 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 portion thereof, regardless of whether reference to the easement and the rights described in this Declaration is made in the respective deeds of conveyance or in any mortgage or deed of trust or other evidence of obligation.

ARTICLE VI.

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Every Owner of a Lot in **SUMMER HAVEN POINT** shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

SECTION 2. Each member shall be entitled to one vote in the affairs of the Association for each Lot owned. 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; however, in no event shall more than one (1) vote be cast with respect to any Lot.

MANAGEMENT AND CONTROL

Management of the affairs of the Association shall be the right and responsibility of its Board of Directors in accordance with the Declaration and the By-Laws; **PROVIDED, HOWEVER**, that all of the powers and duties of the Board of Directors may be exercised by the Declarant until such time as eighty percent (80%) of the Lots in **SUMMER HAVEN POINT** have been sold and conveyed by the Declarant to purchasers or until December 31, 1997, whichever occurs first. Management and control may be transferred to the Lot Owners at any time but, in all events, and if not done earlier, shall occur automatically no later than 120 days after the happening of the earlier of the above events.

ARTICLE VIII.**COVENANTS FOR ASSESSMENTS**

SECTION 1. Assessments. The Association shall, in addition to all other powers granted to it herein and by its Charter and By-Laws, have the power and authority to levy and collect assessments (regular and special) from each Owner. The Owner of each residential Lot shall, by the acceptance of a deed or other conveyance for such Lot, be deemed to covenant and agree and be obligated to pay to the Association: (i) annual assessments, dues or charges; (ii) special assessments for unexpected or unbudgeted expenses, capital improvements and other monetary obligations incurred by the Association in performing its duties and obligations; (iii) insurance assessments as appropriate; (iv) assessments for taxes or other governmental charges against common properties or Common Area, to the extent that such areas are accurately charged or taxed; and (v) the working capital assessment set forth in Section 3 below. All assessments or charges relating to a Lot shall be established, levied and collected on a uniform basis for each Lot as determined by the Association. However, expenses, costs and charges incurred by the Association for the benefit of a specific lot shall be borne by the Owner of that Lot.

SECTION 2. Purposes for Assessments. The funds arising from assessments or charges may be used for any or all of the following purposes: maintaining, operating, improving and replacing common areas and the facilities and improvements located thereon; signage and landscaping; protection of property; collecting and disposing of garbage, ashes, rubbish and the like; maintenance, improvement and lighting of the rights-of-way and community land and facilities; employing watchmen; enforcing these restrictions; paying taxes, insurance premiums, legal, accounting, survey and related fees, governmental charges of all kinds and descriptions and other indebtedness of the Association; 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 and residents of **SUMMER HAVEN POINT**.

SECTION 3. Working Capital Assessment. At the time title to a Lot is conveyed to an Owner, the Owner shall contribute to the Association as a working capital reserve an amount at least equal to the estimated annual Common Area assessment for that Lot as determined by Declarant. Such funds shall be used for the purposes set forth in Section 2 immediately above. Amounts paid into the working capital funds 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.

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 that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of three-fifths (3/5) of the members who are voting in person or by proxy at a meeting duly called for this purpose.

SECTION 5. Insurance Assessments. The Board of Directors on behalf of the Association, as a common expense, shall determine whether the property of the Association should be insured against loss or damage by fire or other hazards and shall determine whether to obtain insurance against other risks, including, but not limited to, directors' liability and public liability insurance, upon such terms and for such amounts as may be reasonably necessary from time to time to protect the Association, Officers, Directors, Property and Common Area. All insurance policy premiums on the Common Area 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 "insurance assessment", which shall be, in addition to the amounts otherwise provided for herein, an amount sufficient to pay the annual cost of all such insurance premiums. The Association shall have the sole authority to deal with the insurer in the settlement of claims. Such insurance shall be obtained without prejudice to the right of each member to insure his personal property for his own benefit at his own expense. In no event shall the insurance coverage obtained by the Association be brought into contribution with insurance purchased by members or their mortgagees.

SECTION 6. Special Assessments for Willful or Negligent Acts. In the event that the need for maintenance, repair or replacement (other than said being 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) is caused through the willful or negligent act of the Owner, his family, guests or invitees, 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.

SECTION 7. Commencement of Assessments. Assessments for each Lot shall commence upon the date of acceptance by an Owner of a deed from the Declarant and such assessments shall be prorated to the date of closing. The Declarant shall not be required to pay maintenance assessments on unsold Lots retained by the Declarant; provided, however, the Declarant shall pay to the Association annually, in lieu of assessments, the pro-rata share of insurance assessments attributable to the Lots owned by the Declarant, as the same become due.

SECTION 8. Payment of Annual Assessments. The annual assessment shall be due and payable on January 1 of the year for which it is assessed or may be payable in installments due monthly, quarterly or annually as determined in the sole discretion of the Association.

SECTION 9. Payment of Special Assessments. Any special assessments shall be due and payable as determined in the sole discretion of the Association.

SECTION 10. Lien For Assessments. Each annual and/or special assessment, when due, shall become a lien against the Lot against which the assessment is made and shall continue as a lien against such Lot and shall be deemed to run with the land until collected by the Association or paid in full.

SECTION 11. 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 or foreclose the lien against the property in accordance with North Carolina foreclosure law. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his Lot.

SECTION 12. Notice and Quorum For Any Authorized Action. Written notice of any meeting called for the purpose of taking any action authorized under any Section of this Article 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 percent (60%) of all the votes of each class of membership shall constitute a quorum. 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 preceding meeting.

SECTION 13. Subordination of the Lien to Mortgages. 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 of any 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 Lot from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 14. Expenditures. The Association shall not be obligated to spend in any one calendar year all of the sums collected during said year by way of assessments or charges or additional assessments, and it may carry forward to surplus any balance remaining. The Association shall not be obligated to apply any such surplus to the reduction of charges in the succeeding year.

SECTION 15. Borrowing Money. The Association shall have the authority, in its discretion, to borrow money to expend for the purposes set forth hereinabove upon such terms and security and for such period as it may determine and to repay said borrowings and the interest thereon from the assessments or charges or additional assessments provided for elsewhere in this Declaration.

SECTION 16. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots.

ARTICLE IX.

ARCHITECTURAL CONTROL

SECTION 1. Developer's Rights. All duties and responsibilities conferred upon the Architectural Control Committee by this Declaration or the Bylaws of the Association shall be exercised and performed by the Declarant or its designee so long as the Declarant shall own at least two (2) Lots in the Property or any additions annexed thereto by Supplemental Declaration or Amendment to this Declaration.

SECTION 2. Building and Site Improvements. No dwelling, fence, wall or other structure shall be commenced, erected or maintained upon any Lot in the Property, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, heights, materials 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 three (3) Lots by the Declarant, by the Board of Director of the Association, or by an Architectural Control Committee 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 the Architectural Control Committee shall seem 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 defect in plans or specifications submitted to it or any structure erected according to such plans and specifications.

SECTION 3. Approval of Plans. No house plans will be approved unless the proposed house shall have a minimum of 2,000 square feet of enclosed dwelling area, exclusive of garages, covered walks and porches. The term "enclosed dwelling area" as used in the minimum requirements shall be the total enclosed area within a dwelling; provided, however, the term does not include garages, terraces, decks, open porches and like areas; and provided, further, that shed type porches, even though attached to the house, are specifically excluded from the definition of the aforesaid term "enclosed dwelling area".

SECTION 4. Completion of Construction. 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. If such construction has not been completed within said twelve month period, the Declarant shall have the right to complete the construction and to place a lien against the property for the cost of construction.

SECTION 5. Style of Construction. The exterior styles of Dwellings shall be approved by the Architectural Control Committee. Preference will be shown for Southern classic styles such as low country, Louisiana or Charleston styles.

SECTION 6. Construction Colors. Colors that contrast with the surroundings and neighboring houses are to be avoided. Roof materials and shingle color range shall be as specifically approved by the Architectural Control Committee.

SECTION 7. Maintenance by Association. The Association at its expense shall be responsible for maintaining, repairing and replacing all utility and drainage lines and pipes which are located on the Property, except those located within individual Lots. The Association shall have the right to go onto the 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 Lots; and each Owner hereby grants permission to the Association to enter his Lot for such purposes.

SECTION 8. Interchange Between Association And Architectural Control Committee. Under any provision of this Declaration which relates to the submission, review and approval of any plans, specifications, repairs, construction or any other matter relating to the construction of improvements, the identity or meaning of the words "Association" and "Architectural Control Committee" shall be that body of persons vested with appropriate authority as determined by this Declaration and the Board of Directors of the Association.

USE RESTRICTIONS

SECTION 1. Land Use and Building Type. No Lot in SUMMER HAVEN POINT shall be used except for single-family residential purposes. All Lots (herein referred to as "single-family lots") in SUMMER HAVEN POINT shall be restricted for construction of single-family dwellings only. Any building erected, altered, placed or permitted to remain on any Lot shall be subject to the provisions of Article IX of this Declaration relating to architectural control.

SECTION 2. Division of Lots.

A. No Lot shall be subdivided or its boundary lines changed except with the prior written consent of the Association.

B. One Lot, as shown on the plat of SUMMER HAVEN POINT, shall be the minimum area upon which a Residence may be constructed. One or more Lots may be utilized as a single building plot with the prior written consent of the Association.

SECTION 3. Setbacks. 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 consideration, no specific setback lines are established by this Declaration. 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 Declarant or the Architectural Control Committee, as the case may be; provided, however, that all dwellings shall be constructed in conformity with the New Hanover County zoning regulations then applicable to a performance residential development.

SECTION 4. Height of Buildings. No structure shall be erected, altered, placed or permitted to remain on any Lot, except one single-family dwelling not to exceed two (2) stories in height, unless the Declarant or the Architectural Control Committee, as the case may be, approves in writing a structure of more than two (2) stories, or one or more small accessory buildings (which may include a detached private garage, servants' quarters or guest facilities), provided the use of such dwelling or accessory building does not in the opinion of the Declarant or the Architectural Control Committee overcrowd the site, and provided further, that such buildings are not used for any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main building. All buildings must comply with applicable governmental requirements.

SECTION 5. Screening of Utilities, Tanks, Etc. All service utilities, fuel tanks, clothes lines, wood piles and trash are to be enclosed within a fence, wall or plant screen of a type and size approved by the Declarant or the Architectural Control Committee so as

to preclude the same from causing an unsightly view from any street or way within the Subdivision or from any other residence within the Subdivision.

SECTION 6. Garbage. Each Owner shall provide receptacles for garbage in a screened area not generally visible from the road in accordance with reasonable standards established by the Association. Garbage carts or receptacles to be emptied by a commercial trash disposal service shall not be left on the road adjacent to any lot for more than 24 hours before or after pick-up.

SECTION 7. Parking. Off-street parking for not less than two (2) passenger automobiles must be provided on each Lot prior to the occupancy of any dwelling constructed on said Lot, which parking areas and the driveways thereto shall be constructed of concrete, brick, asphalt or turfstone.

SECTION 8. 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. There shall not be maintained any plants or animals nor any device or thing of any sort whose normal activities or existence are in any way noxious, dangerous, unsightly, unpleasant or of such other nature as may diminish or destroy the enjoyment of other property in the neighborhood by the Owners thereof. It shall be the responsibility of each Lot Owner to prevent the development of any unclean, unsightly or unkempt condition of building or grounds on such Lot which would tend to substantially decrease the beauty of the neighborhood as a whole or the specific area.

SECTION 9. Lot Maintenance. Upon a three-fifths (3/5) vote of its members, the Association, or its successors, assigns or agents, is granted the right to enter at any time upon any Lot, such entry to be made by personnel with suitable devices and equipment, for the purpose of mowing, removing, clearing and cutting or pruning underbrush, weeds or other unsightly growth, or for repairing or maintaining exteriors of structures, or for the purpose of building or repairing earth work which in the opinion of the Association detracts from or is necessary to maintain the overall beauty, ecology, setting and safety of the Property. Such entrance shall not be deemed a trespass. The Association and its agents may likewise enter upon any Lot to remove any trash. The Association is authorized to make reasonable charges to the Owner for such services, which charges shall become a lien upon the Lot and be due and payable within thirty (30) days after the Owner is billed therefor. Such lien shall be enforceable by Court proceedings as provided by law for enforcement of liens, including foreclosure on the lien in accordance with North Carolina foreclosure law. The provisions of this paragraph shall not be construed as an obligation on the part of the Association to undertake any of the foregoing.

SECTION 10. Temporary Structures. No trailer, tent, mobile or modular home, shack or other structure of a temporary character shall be placed upon any Lot at any time; provided, however, this prohibition shall not apply to shelters used by the contractor during the construction of the main dwelling, it being clearly understood that these temporary shelters may not, at any time, be used as residences or be permitted to remain on the Lot after completion of construction.

SECTION 11. Recreational Vehicles. Boats, campers and trailers shall be permitted to remain on any Lot so long as they are screened from public view.

SECTION 12. 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 they are not kept or maintained for commercial purposes and provided they are not allowed to run free and are at all times properly leashed.

SECTION 13. Outside Antennas. No satellite receiving dish, outside radio or television antennas or similar devices shall be erected on any Lot or dwelling unit within the Property unless and until permission for the same has been granted by the Declarant or by the Board of Directors of the Association or its Architectural Control Committee, as applicable.

SECTION 14. Playground Equipment. All playground equipment must be of wooden construction so as to blend into the surroundings and must be at all times maintained in good repair.

SECTION 15. Exterior Lights. Entrance lights and yard lighting shall be small wattage, low level ground lighting. High intensity flood lighting from poles is not permitted unless specifically approved in writing by the Architectural Control Committee. 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 16. Junk Vehicles and Tractor-Trailers. No inoperable vehicle or vehicle without current registration and insurance, and no tractor-trailers, will be permitted on the Property. The Association shall have the right to have all such vehicles towed away at the Owner's expense.

SECTION 17. Removal of Trees or Shrubbery. No trees, bushes or shrubs with an above-ground diameter of 4 inches or greater may be removed from any Lot without the prior approval of the Declarant or the Architectural Control Committee, as applicable, with the exception of diseased or dead trees, bushes or shrubs. A general landscaping plan for each Lot must be approved by the Declarant or the Architectural Control Committee, as applicable. Plant selection will be left to the reasonable discretion of each Owner, with preference being given to native species and species with no undesirable impact on adjacent Lots.

SECTION 18. Mailboxes. The design, materials, construction and placement of all mailboxes within the Subdivision shall be approved by the Declarant or by the Architectural Control Committee, as applicable. The Declarant or the Architectural Control Committee, as applicable, has authority to require uniformity in mail box design.

SECTION 19. Fencing. Wooden lattice fencing, screening or similar underpinning, as may be approved by the Declarant or by the Architectural Control

Committee, as applicable, shall be required for all buildings or dwellings built upon piles on any Lot within the Subdivision.

SECTION 20. Subdividing. No Lot shall be subdivided, or its boundary lines changed, except with the prior written consent of the Association. However, any Owners, with approval of the Association, may replat any two (2) or more lots shown on the plat of the Subdivision in order to create a modified building lot or lots, and to take such steps as are reasonably necessary to make such replatted lot suitable and fit as a building site, said steps to include, but not be limited to, the relocation of easements, walkways and rights-of-way to conform to the new boundaries of the said replatted lots.

SECTION 21. Stormwater Runoff Rules.

A. No more than 7100 square feet of any lot, including that portion of the right-of-way between the edge of pavement and the front lot line, shall be covered by impervious structures including asphalt, gravel, concrete, brick, stone, slate or similar materials, not including wood decking or the water surface of swimming pools. This covenant is intended to ensure continued compliance with stormwater runoff rules adopted by the State of North Carolina and, therefore, benefits may be enforced by the State of North Carolina. The covenant may not be changed or deleted without the consent of the State. No lot owner is allowed to pipe or fill in any swale used to meet the stormwater regulations.

B. No structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials, shall be placed within thirty (30) feet of the mean high water line of surface waters. This covenant is intended to ensure continued compliance with stormwater runoff rules adopted by the State of North Carolina and, therefore, benefits may be enforced by the State of North Carolina.

ARTICLE XI.

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, conditions, covenants, 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. 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 3. Lots Subject to Declaration. All present and future Owners, tenants and occupants of Lots and their guests or invitees shall be subject to, and shall

comply with, the provisions of the Declaration, as amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any 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 Lot, their respective legal representatives, heirs, successors and assigns, and these covenants are to run with the land and be binding on all persons and parties claiming under them.

SECTION 4. Amendment of Declaration. Except as provided elsewhere, 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 sixty percent (60%) of the 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 the Declarant.

SECTION 5. Duration. All of the foregoing covenants, reservations, restrictions and conditions shall continue and remain in full force and effect at all times as against the Owner of any Lot in such Subdivision, regardless of how the Owner acquired title, until January 1, 2015, at which time these covenants, reservations, restrictions and conditions shall terminate and end and thereafter be of no further legal or equitable effect on such Property or any Owner thereof; provided, however, that these covenants, conditions, reservations and restrictions shall be automatically extended for a period of ten (10) years thereafter, and for successive ten year periods unless on or before the end of the initial period or one of such extension periods the Owners of sixty percent (60%) of the Lots in the Subdivision shall, by written instrument duly recorded in the New Hanover County Registry, declare a termination of the same. In the event the provisions hereunder are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event, such terms shall be reduced to a period of time which shall not violate the rule against perpetuities, as set forth in the laws of the State of North Carolina.

SECTION 6. Violations. In the event of a violation or breach of any of these covenants, conditions, restrictions or reservations by any Owner, or agent of such Owner, the Association or Owner of any other Lot in **SUMMER HAVEN POINT**, or any of them jointly or severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach. In addition to the foregoing, the Association shall have the right, at its option, whenever there shall have been built on any Lot any structure which is in violation of these restrictions, to enter upon such Property where such violations exist, and summarily abate or remove the same at the expense of the Owner, if after thirty (30) days written notice of such violation it shall not have been corrected by the Owner. Any such entry, abatement or removal shall not be deemed a trespass. The failure to enforce any covenants, restrictions, reservations or conditions