

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS

Oct 26 3 07 PM '88

THIS DECLARATION, made on the date hereinafter set forth, by THE CHAISE LIMITED PARTNERSHIP, a North Carolina limited partnership, hereinafter referred to as "Declarant";

WITNESSETH:

51

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

All of that certain parcel of land shown on the plat entitled "Phase One, The Chaise", which appears of record in the Office of the Register of Deeds of New Hanover County, North Carolina, in Map Book 28, Page 180.

NOW, THEREFORE, Declarant hereby declares that the above described Property 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

Section 1. "Owner" shall mean and refer to the record owner, (other than Declarant) whether one or more persons or entities, of a fee simple title to any lot 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 2. "Properties" shall mean and refer to that certain real property hereinabove described.

Section 3. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision map of the Properties.

Section 4. "Declarant" shall mean and refer to The Chaise Limited Partnership, a North Carolina limited partnership, its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Returned to Carter + Carter

ARTICLE II
LANDSCAPING AND ARCHITECTURAL CONTROLS

Section 1. Structures. Except as set forth in Section 2 below, no building, fence, wall or other structure shall be erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of same shall have been submitted to and approved in writing by the proper municipal authority.

Section 2. Decks. No decks, patios or similar structures may be erected or maintained on any Lot unless said deck is under 250 square feet in size and constructed of wood. Said deck may not extend beyond the front of the Living Unit on the lot. No fence may be constructed around said deck unless such fence is under sixty inches (60") in height from the base of the deck, constructed of wood, and totally confined within and along the perimeter of the deck.

Section 3. Landscaping. No trees, shrubs, or other vegetation or ground cover shall be planted or maintained on any Lot by the Owner, except that the Owner of a Lot may plant flowers or ornamental shrubbery in harmony with the general landscape design of The Chaise within four feet of the Living Unit, or any deck or patio appurtenant thereto, constructed on the Lot if the Owner maintains the bed or beds in which such planting occurs.

ARTICLE III
ROUTINE GROUNDS MAINTENANCE AND EXTERIOR BUILDING MAINTENANCE

Section 1. The Declarant shall be responsible for procuring a competent landscaper to provide the initial landscaping and plantings on that portion of the properties as set forth in the Landscape Plan.

Section 2. The Declarant shall be responsible for procuring a competent landscaper to install the initial landscaping and plantings on that portion of the properties as set forth in the Landscape Plan.

Section 3. Maintenance of Landscaping. Each Owner is responsible for maintaining the general landscaping of his/her Lot in harmony with the general landscape design of The Chaise. The owner is also responsible for maintaining the plantings and landscaping (including the replacement of any dead or diseased plantings).

Section 4. Owner's Maintenance Responsibility. The Owner is responsible for maintaining the exterior of the Living Unit or other structure in harmony with the design and coloring of The

Chaise.

ARTICLE IV
USE RESTRICTIONS

Section 1. Land Use and Dwelling Type. No Lot shall be used by any Owner except for 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 and one-half stories in height, provided, however, garages and storage buildings also are permitted. Provided, however, that nothing contained in this Declaration shall prevent Declarant from leasing any unsold units or lots, or using such units or lots as a model unit nor prevent the placement on the Property by Declarant of signs in aid of sale or rental of unsold units.

Section 2. Dwelling Specifications. No dwelling shall be permitted costing less than \$50,000.00 based on current building costs and having a ground area of the main structure, exclusive of one-story open porches, of less than 1,000 square feet for a one-story dwelling nor less than 1,000 square feet for a dwelling of more than one story.

Section 3. Nuisance. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 4. 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.

Section 5. Antennae and Satellite Dishes. Antennae for the receipt of television and radio stations shall be permitted on the Lots only if such antennae are standard size for residences or smaller. Such antennae shall not be located within ten feet of the side property lines. Satellite dishes for the reception of television or radio stations shall not be permitted on the Lots.

Section 6. Garages. Any structure or portion of a dwelling originally constructed for use as a garage must be used solely for the purpose of parking vehicles and incidental storage functions and may not be converted to any other use.

Section 7. Alterations and Attachments. No Owner shall make structural alterations or modifications of a Living Unit or other areas of a lot not occupied by a Living Unit, including the erection of antennas, aerials, or awnings, the placement of any reflective or other material in the window (other than draperies,

1434 1809

blinds, or ordinary shades which must have a white lining exposed to and visible from the exterior of the Living Unit), or other exterior attachments except as set forth herein. Any such alterations, decorations or modifications should not jeopardize or impair the soundness, safety or appearance of the Properties.

Section 8. Signs. No signs or other advertising devices shall be displayed so as to be visible from the exterior of any Living Unit (with the exception of a single "For Sale" sign) of the size and type normally used to advertise sale of residential property. Provided that nothing herein contained shall prevent the Declarant from erecting signs necessary to the promotion and marketing of units.

Section 9. Prohibition on Use. That portion of any Lot not occupied by the Living Unit, or any deck or patio appurtenant thereto, constructed on the Lot shall not be used for storage of supplies, personal property, or trash or refuse of any kind, except as set forth herein. Neither shall such areas be used in any way for the drying, shaking or airing of clothing or other fabrics. Steps, entrances, sidewalks, yards, driveways and parking areas shall not be obstructed in any way, nor shall unauthorized persons or pets play therein or thereon or use them for other than their intended purposes. In general, no activity shall be carried on nor any condition maintained by any Owner, which despoils the appearance of the Properties.

Section 10. Parking. Trucks, trailers, vans and boats may only be parked on the Property in locations which do not interfere with the flow of traffic or otherwise hinder the rights of the other owners in and to enjoyment of the Property. The storage on the Properties of cars not in operating condition is not permitted. All vehicles must be in running condition and have a current license tag and inspection sticker.

ARTICLE V EASEMENTS

Section 1. Utilities and Drainage. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded Plats. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 2. Easement of Owner Over Adjoining Lot. The Owner of each Lot on which a dwelling is situated shall have the right at any time to enter upon the yard of the adjoining Lot for the purpose of and in connection with maintaining, repairing,

1434 1810

reconstructing, remodeling, improving or making additions to the dwelling of said owner. Such right and easement over the yard of each such Lot shall be five feet in width as measured from the common property line of the two Lots on which the two dwellings are situated. Such five-foot wide easement shall be over that part of the yard on which the dwelling on the adjoining Lot is not then situated; and, subject to all applicable codes and ordinances, nothing contained in this section shall prevent an Owner from making additions to his dwelling or constructing other structures over that part of his yard which formerly was unimproved, as such easement shall exist only over the above-described part of said Lot on which there are no dwellings or structures at that time.

ARTICLE VI
MASTER ASSOCIATION

Every Owner, by accepting a deed conveying any Lot or part thereof, shall be a member of the Carriage Hills Owners Association, and shall be bound to all the obligations and shall enjoy all the benefits provided for by such membership. The articles of incorporation of the said association are recorded in Book 1395, Page 1716, in the New Hanover County Registry, and the by-laws of the said association are attached as Exhibit A to the Declaration of Restrictions for Cabriolet at Carriage Hills, Section 1, recorded in Book 1396, Page 1660, in the New Hanover County Registry.

ARTICLE VII
GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, 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 Declarant or by any 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 way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of 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 ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument

signed by the Declarant and not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by the Declarant and not less than seventy-five percent (75%) of the Lot owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements or otherwise contravene any duly executed ordinance of the city of Wilmington, as herein provided, or affect any lien for the payment thereof established herein.

Section 4. Annexation. Additional residential property may be annexed to the Properties with the consent of sixty-six and two-thirds percent (66-2/3%) of the Owners.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed by its signature General Partner, this the 21 day of October, 1988.

The Chaise Limited Partnership,
a limited partnership

By: [Signature] (SEAL)
Lester F. Hill
General Partner

NORTH CAROLINA
GUILFORD COUNTY

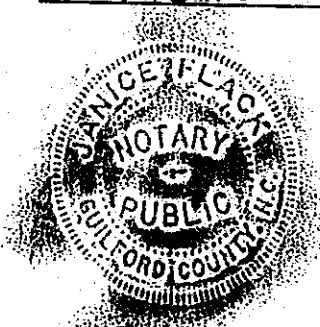
I, the undersigned Notary Public, do hereby certify that LESTER F. HILL personally came before me this day and acknowledged that he is the Signature General Partner of The Chaise Limited Partnership, a limited Partnership, and that, by authority duly given and as the act of the partnership, the foregoing instrument was signed in its name and on behalf of its General Partners.

WITNESS my hand and notarial seal, this 21 day of October, 1988.

[Signature]
Notary Public

My Commission Expires:

9-13-92



STATE OF NORTH CAROLINA
New Hanover County
The Foregoing Certificate of
Janice Flack, a Notary
Public

is certified to be correct.
This the 26th day of Oct, 1988

Rebecca P. Tucker, Register of Deeds

By: [Signature]
Deputy