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GUILFORD COUNTY, NC

JEFF L. THIGPEN

REGISTER OF DEEDS

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Prepared by and return to: Shope Krohn Attorneys at Law, P.A. 3703 West Market Street, Suite B Greensboro, NC 27403

THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS.

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THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF THE FLAG OF THE UNITED STATES OF AMERICA OR STATE OF NORTH CAROLINA.

STATE OF NORTH CAROLINA

COUNTY OF GUILFORD

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR NORMAN'S PLACE

THIS DECLARATION is made this the 10 day of September, 2026, by Angel Farm Development II, LLC, a North Carolina limited liability company (hereinafter referred to as ("Declarant"))

WITNESSETH

WHEREAS, Declarant is the owner of certain property in the County of Guilford, State of North Carolina, which is more particularly shown and described as all of that certain property surveyed and shown on that certain plat entitled SUBDIVISION PLAT FOR: NORMANS PLACE PHASE 1 recorded in Plat Book 222, Page 142-144 in the Office of the

Register of Deeds of Guilford County.

WHEREAS, it is the intent of the Declarant hereby to cause the above-described property to be subjected to this Declaration of Covenants, Conditions, and Restrictions.

NOW, THEREFORE, pursuant to Chapter 47F of the North Carolina General Statutes Declarant hereby declares that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, and covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the title to such real property and be binding on all parties having 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. It is the intent of Declarant that the provisions of this Declaration in all respects conform to and comply with the requirements set forth in the North Carolina Planned Community Act.

ARTICLE I **DEFINITIONS**

- (a) "Architectural Review Committee" has the meaning given such term in Article V.
- (b) "Articles of Incorporation" shall mean the Articles of Incorporation filed with the office of the North Carolina Secretary of State which establishes Norman's Place Homeowners Association as a North Carolina not-for-profit corporation
- (c) "Association" shall mean and refer to the Norman's Place Homeowners Association, Inc., a North Carolina non-profit corporation, and its successors and assigns.
- (d) "Board" or Board of Directors" shall have the meaning given each term in Article III, Section 3.
- (e) "Builder" shall mean and refer to a builder that purchases a Lot or Lots from Declarant for the purposes of constructing a single-family home thereon.
- (f) "Bylaws" shall mean the Bylaws of the Association which, with this Declaration and the Articles of Incorporation of the Association, describe the powers and functions of the Association, and which from time to time may be amended by the Association.
- (g) "Common Elements" shall mean all real and personal property owned or controlled by the Declarant or Association for the common use and enjoyment of the Owners, including the ponds, if any, and including real estate owned by the Association, if any, and land designated as "Common Area", "Open Space", "Common Open Space", "Common Element" or any similar term on any plat of Norman's Place which will be conveyed by Declarant to the Association after recordation of the Declaration. The Common Elements

are to be owned by the Association and shall be designated on a plat or plats of Norman's Place, recorded or to be recorded in the Office of the Register of Deeds of Guilford County, North Carolina.

Declarant reserves the right, in its sole discretion, to convey from time to time, without the consent of the Association or its Members, additional property to the Association which property may include all or any portion of the Properties, including any Additional land annexed by Declarant pursuant to Article XII, Section 6 hereof and the Association shall accept any such conveyance of additional Common Elements. Improvements, which may include, but shall not be limited to, roadways, retention or detention ponds or erosion control devices, may be located on such additional Common Elements. Except as otherwise provided in Section 47F-3- 113 of the Planned Community Act, the Association shall be required to promptly repair and/or replace any portion of the Commons Elements which is damaged or destroyed and for which the Association is required to maintain casualty insurance pursuant to the Bylaws.

- (h) "Declarant" shall mean and refer to Angel Farm Development II, LLC a North Carolina limited liability company, its successors and assigns, and any agent or agents appointed by Declarant, successor and/or assigns, to act on its behalf for the purpose of administering or enforcing, in whole or in part, the rights herein reserved to Declarant.
- (i) "Declarant's Developmental Period" shall mean and refer to the period of time commencing on the date this Declaration is recorded in the Office of the Register of Deeds, Guilford County, North Carolina, and continuing for so long as Declarant shall have the right to annex any portion of the Additional Property pursuant to the provisions of Article XII, Section 6 hereof or Declarant or any affiliate of Declarant shall own any portion of the Properties.
- (j) "Lot" shall mean and refer to any separately numbered plot of land shown upon any now or subsequently recorded subdivision plat of the Properties, with the exception of Common Elements, Off-Site Septic Easements, dedicated streets, and other dedicated areas, and shall include any dwelling and other improvements constructed thereon. Declarant hereby reserves the right to reconfigure, from time to time, and without the consent of the Owners or the Association, the boundaries of any Lot or Lots owned by Declarant and to thereby create additional Lots, eliminate existing Lots or common area or create additional Common Elements; provided, however, in no event shall the Properties contain a greater number of Lots than the number from time to time permitted by the appropriate local governmental authority, nor shall any Lot within the Properties contain fewer square feet than the minimum number of square feet from time to time

required by the appropriate local governmental authority. If Declarant elects to exercise its right to revise the boundaries of one or more Lots owned by Declarant, Declarant shall record a revised plat of the affected Lot or Lots. Upon the recording by Declarant of such a revised plat, each Lot shown on the previously recorded plat or plats, the boundaries of which are revised by the revised plat, shall cease to be a "Lot" as defined in this Declaration and each newly configured lot shown on the revised plat shall be a "Lot" as defined in this Declaration.

- (k) "Master Plan" shall mean and refer to the plan(s) for the Properties and the Additional Property now or hereafter approved by Guilford County or other appropriate governmental authority, as such plan(s) may be from time to time amended and approved. Declarant may amend the Master Plan from time to time and it is not bound to develop as shown thereon or to bring all or any part of the land shown thereon into the Association.
- (l) "Member" shall mean and refer to every person or entity who holds membership with voting rights in the Association.
- (m) "Off Site Septic Easement" shall mean and refer to a plot or parcel of land or an area shown on any recorded subdivision plat of the Properties which is to be used for an off-site septic system. Lots designated with a number followed by the letter 'A' (e.g., Lot 1A, Lot 2A) represent the Septic Easements located within the Off-Site Septic Field.
- (n) "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 part of the Properties, as hereinafter defined, including contract sellers, but excluding the Declarant and those having such interest merely as security for the performance of an obligation.
- (o) "Period of Declarant Control" shall mean that period of time during which Declarant maintains control of the Association by retaining its right to appoint and remove officers and members of the Board of Directors. The Period of Declarant Control shall begin upon the recording of this Declaration and shall expire upon the earlier of (i) the date on which Declarant voluntarily relinquishes in writing its ability to appoint and remove members of the Board of Directors, or (ii) automatically on the date that is one year after Declarant's conveyance of the last Lot in the Properties.
- (p) "Planned Community Act" shall mean and refer to the provisions of Chapter 47F of the "North Carolina General Statutes.

- (q) "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
- (r) "Total Association Vote" means collectively the votes attributable to all Members of the Association. If the Total Association Vote is taken during the Period of Declarant Control, a Total Association Vote approving an item or proposition also must have the affirmative vote of Declarant or the item or proposition will be deemed not to have been approved.

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 Elements that shall be appurtenant to and shall pass with the title of every Lot, subject to the following provisions:

- (a) The right of the Association to permit the use of and to charge reasonable admission and other fees for the use of any recreational facility situated upon the common elements.
- (b) The right of the Association to suspend the voting rights and right of any Owner to use any of the Common Elements or facilities owned by the Association for any period during which any assessment against his Lot remains unpaid, plus an additional sixty (60) days after the delinquent assessment is paid; and, for a period not to exceed sixty (60) days, for any infraction of its published rules and regulations;
- (c) The right of the Association, pursuant to Section 47F-3-112 of the Planned Community Act and with the consent of the Members entitled to cast at least eighty percent (80%) of the Total Association Vote, to dedicate or transfer non-exclusive easements on, over and upon all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed to by the Association's Board; provided, however, no such dedication or transfer shall be effective unless an instrument executed on behalf of the Association by its duly authorized officers agreeing to such dedication or transfer, has been recorded; provided further during the Period of Declarant Control, Declarant must also consent to such action and, further provided that no such dedication or transfer shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Elements or cause any Lot or any remaining Common Elements to fail to comply with applicable laws, regulations or ordinances;
- (d) The right of the Association, pursuant to Section 47F-3-112 of the Planned Community Act (as such statute is amended from time to time) and with the consent of the Members entitled to cast at least eighty percent (80%) of the Total Association Vote, to dedicate

to any public agency, authority or utility, or to transfer to any other party, fee title to all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed to by the Members consenting to such dedication or transfer; provided, however, no such dedication or transfer shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Elements or cause any Lot or any remaining Common Elements to fail to comply with applicable laws, regulations or ordinances; and further provided during the Period of Declarant Control, Declarant must also consent to such action;

- (e) The right of the Association to impose rules and regulations for the use and enjoyment of the Common Elements and improvements thereon, which regulations may further restrict the use of the Common Elements, and specifically including the right to establish rules and regulations concerning parking and vehicular traffic flow on and along the streets and roadways, whether public or private, within or abutting the Properties, which rules and regulations may restrict or prohibit on-street parking and may be enforced by towing at the expense of the vehicle's owner, by reasonable fine levied against the vehicle's owner and/or any Owner of a Lot to which such violation reasonably may be attributed, or by any other reasonable method of enforcement established by the Association's Board;
- (f) The right of the Association to borrow money for the purpose of improving the Common Elements and facilities thereon and, with the assent of the Members entitled to cast at least eighty percent (80%) of the Total Association Vote, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred (any such mortgage shall be effective if it is executed on behalf of the Association by its duly authorized officers and recites that the requisite consent of Members has been obtained and documented in the Minute Book of the Association) provided, however, no mortgage, encumbrances or hypothecation or foreclosure of the lien thereby created, shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Elements or cause any Lot or any remaining Common Elements to fail to comply with applicable laws, regulations or ordinances; provided further during the Period of Declarant Control, Declarant must also consent to such action;
- (g) The right of the Association to exchange portions of Common Elements with the Declarant for substantially equal areas of the Properties for the purpose of eliminating unintentional conveyances of Common Elements or unintentional encroachments of improvements onto portions of the Common Elements or for the purpose of enhancing the utility of the Common Elements, to be retained by the Association.

- (h) The right of the Association to grant permits, licenses and easements over the Common Areas for utilities, streets, roads, common mailbox facilities and other purposes reasonably necessary for the proper maintenance or operation of the Properties.
- (i) The right of the Declarant, for so long as the Declarant shall continue to own and/or lease Lots, to use space in any clubhouse facility constructed as part of the Common Elements as a sales, leasing and/or marketing office for the Properties.

SECTION 2. DELEGATION OF USE. Any Owner may delegate, in accordance with the Bylaws, his/her rights of enjoyment of the Common Elements and facilities to the members of his family, his tenants or contract purchasers who reside on the Lot of such Owners.

SECTION 3. LEASE OF LOTS. Any Lease Agreement between an Owner and a lessee for the lease of such Owner's Lot shall provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration of Covenants, Conditions, and Restrictions, the Articles of Incorporation and Bylaws of the Association and that any failure by the lessee to comply with the terms of such documents shall be a default under the terms of the lease. All leases of Lots shall be in writing. The minimum term of a Lease Agreement between Owner and a lessee shall be 180 days. Other than the foregoing there is no restriction on the right of the Declarant or any Owner to lease his Lot.

ARTICLE III **MEMBERSHIP AND VOTING RIGHTS**

SECTION 1. MEMBERSHIP. Every Owner of a Lot which is subject to a lien for assessments and Declarant shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment. The foregoing is not intended to include persons or entities that hold an interest in a Lot merely as security for the performance of an obligation. On all matters which the Membership shall be entitled to vote, the Member(s) owning each Lot shall be entitled to one (1) vote.. 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 among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

SECTION 2. GOVERNANCE. The Association shall be governed by a board of directors (hereinafter the "Board" or "Board of Directors"), which shall consist of three (3) members during the Period of Declarant Control. Upon and after the expiration of the Period of Declarant Control, the Board of Directors shall consist of three (3) members. Each director shall have the same vote as any other director. The terms of the directors are to be determined in accordance with the provisions of the Articles. The Board may

act in all instances on behalf of the Association except where prohibited by the Act, this Declaration, the Articles or the Bylaws.

SECTION 3. Appointment and Election of the Board of Directors. Declarant shall have the right to appoint and remove the directors and officers during the Period of Declarant Control. The directors selected by Declarant need not be Members of the Association. After the expiration of the Period of Declarant Control, all the Members shall elect the directors in accordance with the vote(s) held by each Member. Cumulative voting shall not be allowed.

Any representative of Declarant serving on the Board of the Association shall not be required to disqualify himself/herself from any vote upon any contract or matter between the Declarant and the Association where Declarant may have a pecuniary or other interest. Similarly, Declarant as a Member of the Association shall not be required to disqualify itself upon any contract or matter between the Declarant and the Association where Declarant may have a pecuniary or other interest.

ARTICLE IV COVENANT FOR MAINTENANCE AND ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay: (a) to the Association; (i) annual and other assessments and charges provided for herein, together with interest and late fees, costs and reasonable attorney's fees; (ii) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (b) to the appropriate governmental taxing authority: (i) a pro rata share of ad valorem taxes levied against the Common Elements; and (ii) a pro rata share of assessments for public improvements to or for the benefit of the Common Elements if the Association shall default in the payment of either or both for a period of six (6) months. All assessments and charges provided for herein, together with interest, any late fees, costs and reasonable attorney's fees, shall be a charge on the land and shall constitute a continuing lien upon the property against which each such assessment is made when a claim of lien is filed of record in the Office of the Clerk of Superior Court, Guilford County, North Carolina. Each such assessment and charge, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such property at the time when the assessment fell due. The personal obligation for the delinquent assessment shall not pass to his successors in title unless expressly assumed by them. **SECTION 2. PURPOSE OF ASSESSMENTS.**

- (a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements,

including but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Elements; the maintenance of greenway elements and easements, stream and sewer drainage easements, and sanitary sewer easements and the maintenance of open spaces and streets which have not been accepted for dedication for public authority, road medians and islands (including medians and islands located in dedicated rights-of-way within the Properties), drives and parking areas within the Common Elements; the procurement and maintenance of liability insurance in accordance with the Bylaws; the maintenance of dams and ponds, including retention or detention ponds, or other bodies of water, if any, located within the Common Elements; the maintenance of entrance ways, landscaping and lighting of Common Elements, road medians and islands and entrance ways; the cost of operating, maintaining and repairing any street lights erected by the Association or the Declarant in the rights-of-way of streets (whether public or private) or in any other easement provided therefor within the Properties; the maintenance of mailbox clusters erected by the Declarant or the Association (all mail will be delivered to the mailbox clusters); the maintenance of monuments and signs erected by the Declarant or the Association; the employment of attorneys and other agents to represent the Association when necessary; the provision of adequate reserves for the replacement of capital improvements, without limiting the generality of the foregoing, paving, and any other major expenses for which the Association is responsible; and such other needs as may arise.

- (b) The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Elements and those other portions of the Properties which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expense.
- (c) All monies collected by the Association shall be treated as separate property of the Association, and such monies may be applied by the Association to the payment of any expenses of operating and managing the Properties, or to the proper undertaking of all acts and duties imposed upon the Association by virtue of this Declaration, the Articles of Incorporation and the Bylaws of the Association. As monies for any assessment are paid to the Association by any Owner, the same may be commingled with monies paid to the Association by the other Owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the Members of the Association, no Member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Lot. When the Owner shall cease to be a Member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Properties.

**SECTION 3. ADOPTION OF BUDGET AND FIXING OF ANNUAL ASSESSMENTS:
MAXIMUM ANNUAL ASSESSMENT.**

- (a) At least thirty (30) days in advance of each annual assessment period, the Board shall establish an annual budget and fix the amount of the annual assessment in advance for the following year. Within thirty (30) days of the adoption of any proposed budget, the Board shall provide to all of the Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. In establishing such annual budget, and in fixing the amount of such annual assessments, the Board, in its direction, may consider other sources of funds available to the Association, including, without limitation, any subsidy by the Declarant, which subsidy, in the sole discretion of Declarant, may be in the form of a contribution, an advance against future assessments due, or a loan, with or without interest at market rate. Any such subsidy or contribution in the nature thereof shall be disclosed as a line item in the budget. The payment of any such subsidy in any year shall under no circumstances obligate Declarant to continue payment of such subsidy in future years. The Board shall set a date for a meeting of the Owners to consider ratification of the budget; such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting seventy-five percent (75%) of the Total Association Vote rejects the budget. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.
- (b) Until December 31st of the year in which this Declaration is recorded, the maximum annual assessment shall be Five Hundred Dollars \$500.00 per Lot for Lots sold to a third party other than the Declarant. However, any Lot sold to a Builder will not be subject to the Annual Assessment until said Lot is sold to a homeowner, or until one year after the date of purchase by the Builder, whichever shall first occur. There shall be no Annual Assessment for Lots owned by the Declarant.
- (c) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter shall be established by the Board and may be increased by the Board without approval by the membership by an amount not to exceed ten percent (10%) of the maximum annual assessment of the previous year. The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter may be increased without limit by a vote of the Members entitled to cast at least two-thirds (2/3) of the Total Association Vote in person or by proxy, at a meeting duly called for this purpose; however, during any Period of Declarant Control, Declarant must also consent to such action. The Board may fix the annual assessment at an amount not in excess of the maximum, subject to the provisions of Section 6 of this Article.

SECTION 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of the Members entitled to cast a majority of the votes cast at a meeting of the Association who are voting, in person or by proxy, at a meeting duly called for this purpose; provided, however, during the Period of Declarant Control, Declarant must also consent to such action. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly, quarterly or semi-annual basis, as determined by the Members approving such assessments.

SECTION 5. NOTICE OF MEETING. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting.

SECTION 6. RATE OF ANNUAL ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all Lots; provided, however, that so long as any Lot is owned by Declarant or assignee of Declarant's development rights, Declarant is not required to pay assessments.

SECTION 7. DATE AND COMMENCEMENT OF ANNUAL ASSESSMENT: DUE DATES. The annual assessments provided for herein shall commence as to a Lot on the first day of the month following: (i) the date such Lot is conveyed to other than the Declarant, a Builder or an assignee of Declarant's development rights; or (ii) the first day of the month following commencement of construction of a residence by the Declarant on a Lot owned by the Declarant. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The due dates shall be established by the Board. Annual assessments may be collected on a monthly, quarterly, semi-annual or annual basis, as determined by the Association's Board. 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 Lot have been paid.

SECTION 8. WORKING CAPITAL ASSESSMENTS. In addition to the annual assessments authorized above, upon the initial conveyance of every Lot to an Owner that purchaser of a completed home on a Lot, such Owner shall pay to the Association Five Hundred Dollars (\$500.00). Such funds shall be used by the Association to establish a Working Capital Fund, the purpose of which is to insure that the Association will have sufficient monies available to meet its initial operational needs. No such payments made into the Working Capital Fund shall be considered an advance or current payment of regular assessments. All monies paid into the Working Capital Fund shall be held and administered by the Association in accordance with the terms of this Declaration and the Association Bylaws.

SECTION 9. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate from time to time established by the Association not to exceed eighteen (18%) per annum. In addition, the Association may charge a reasonable late fee, the amount of which shall be the maximum amount allowed by Statute. For assessments not paid within thirty (30) days after the due date and after notice and an opportunity to be heard, the Association may suspend privileges or services provided by the Association (except rights to access Lots) during any period that assessments or other amounts due and owing to the Association remain unpaid for a period of thirty (30) days or longer, which suspension may continue without further hearing until the delinquency is cured. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of North Carolina for the foreclosure of a mortgage or deed of trust on real estate under power of sale, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Elements or abandonment of his Lot nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or diminution of the assessments provided for herein.

SECTION 10. EFFECT OF DEFAULT IN PAYMENT OF AD VALOREM TAXES OR ASSESSMENTS FOR PUBLIC IMPROVEMENTS BY ASSOCIATION.

Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Elements or assessments for public improvements to the Common Elements, which default shall continue for a period of six (6) months, each Owner of a Lot shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Lots in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner.

SECTION 11. FORECLOSURE OF FIRST MORTGAGES.

When the holder of a first mortgage or first deed of trust of record, or other purchaser of a Lot, obtains title to the Lot as a result of foreclosure, such purchasers and its heirs, successors and assigns, shall not be liable for the assessments against such Lot which became due prior to the acquisition of title by such purchaser. Such unpaid assessments shall be deemed to be common expenses collectible from all Owners, including such purchaser, its heirs, successors and assigns. Such sale or transfer of any Lot which is subject to any such first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to the payment thereof which became due prior to such sale or transfer; provided, however, no such sale or transfer

shall relieve such Lot or the Owner thereof from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 12. EXEMPT PROPERTY. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V **ARCHITECTURAL CONTROL**

SECTION 1. IMPROVEMENTS. No improvements, alteration, repair, change in paint color, excavation, change in grade, planting, landscaping or other work which in any way alters the exterior of any Lot or the improvements located thereon from their natural or improved state existing on the date such Lot was first conveyed in fee by the Declarant to an Owner other than Declarant or an affiliate of Declarant shall be commenced, erected or maintained upon any Lot and no building, fence, wall, residence or other structure or planting or landscaping shall be commenced, erected, maintained, improved, altered or removed until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Declarant, the Board or by an architectural committee composed of three (3) or more representatives appointed by the Board (the "Architectural Control Committee" or "ACC").

Notwithstanding the foregoing, landscaping improvements consisting of plant materials native to the area and commonly used in residential landscaping which do not interfere with the sight lines of motorists at intersections of the streets and/or driveways located within the Properties shall not require approval by the Board or the ACC. Further, nothing herein contained shall prevent or interfere with the right of the Declarant to improve and develop the Properties, including the Lots, as Declarant chooses, so long as said development follows the general plan of development of the Properties previously approved by the appropriate local governmental authority. Accordingly, Declarant need not seek or obtain the approval of the ACC for improvements erected on the Properties by or at the direction of Declarant. In addition, until completion of construction on all houses located in the subdivision, Declarant may approve any plans and specifications rejected by the Board or the ACC for the construction or alteration of improvements on any Lot provided the construction or alteration approved by Declarant comports with the general scheme of development approved by Guilford County or other appropriate local governmental authority. Such approval by Declarant shall operate and have the same effect as approval by the Board or the ACC.

During the Period of Declarant Control, Declarant shall appoint the members of the ACC on an annual basis. During the Period of Declarant Control, no decision or action made by the ACC shall be valid or enforceable without the written consent and joinder of Declarant. After the expiration of the Period of Declarant Control, the Board of

Directors shall appoint the members of the ACC on an annual basis. At any time prior the expiration of the Period of Declarant Control, Declarant may elect to turn over control of the ACC to the Association and the Association shall accept such control and shall operate the ACC pursuant to this Declaration.

SECTION 2. PROCEDURES.

(a) Any person desiring to make any improvement, alteration or change described in Section 1 above shall submit the plans and specifications therefor, showing the nature, kind, shape, height, materials and location of the same, to the ACC which shall evaluate such plans and specifications in light of the purposes of this Article.

(b) Upon approval by the ACC of any plans and specifications submitted pursuant to this Declaration, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the ACC and a copy of such plans and specific action bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Lot of any plans and specifications shall not be deemed a waiver of the Declarant, Board or ACC's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein of such plans, specifications, features or elements that are subsequently submitted for use in connection with any other Lot. Approval of such plans and specifications relating to any Lot, however, shall be final as to that Lot and such approval may not be reviewed or rescinded thereafter, provided that there has been adherence to and compliance with, such plans and specifications, as approved. The Association may require that the Owner(s) requesting any change or improvement under this Article to be liable for any cost of maintaining, repairing and insuring the approved alteration. If such condition is imposed, the Owner(s) shall evidence consent thereto by a written document in recordable form satisfactory to the Association. Thereafter, the Owner(s), and any subsequent Owner(s) of the Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, are deemed to covenant and agree that the cost of maintaining, repairing and insuring such alteration shall be a part of the annual assessment or charge set forth herein, and subject to the lien rights described herein.

Neither Declarant, nor any other member of the Association's Board or ACC, shall be responsible or liable in any way for any defects in any plans or specifications approved by them, nor for any structural defects in any work done according to such plans and specifications. Further, neither Declarant, nor any member of the Board or ACC, shall be liable in damages to anyone by reason of mistake in judgment, negligence, misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications or the exercise of any other power or right provided for in this Declaration. Every person who submits plans or specifications for approval agrees, by submission of such plans and specifications, and every owner of any Lot agrees, that he or she will not bring any action or suit against Declarant, or any member of the Board or ACC, to recover any such damage.

ENFORCEMENT. Declarant, the ACC and the Association shall have the specific,

nonexclusive right (but not obligation) to enforce the provisions contained in this Article and to remedy any violation of the provisions contained in this Article of this Declaration by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained in this Article. Violation of this Article by a contractor or other agent hired by an Owner shall not excuse such Owner from liability hereunder. The ACC shall have an easement over the Property for the purpose of confirming that work is carried out in conformance with approved plans and specifications.

MISCELLANEOUS; FEES. No member of the ACC shall be entitled to compensation for services performed pursuant to this Article. The Association shall reimburse members of the ACC for reasonable out-of-pocket expenses. The ACC may, from time to time in its reasonable discretion, hire independent professionals to review and provide recommendations on submissions to the ACC, and the cost shall be borne by the Owner requesting approval.

ARTICLE VI **EXTERIOR MAINTENANCE**

SECTION 1. EXTERIOR MAINTENANCE. The Association shall maintain the Common Elements. Each Owner shall be responsible for the exterior maintenance of his or her dwelling and Lot, as follows: painting, replacement and care of roofs, gutters, down spouts, exterior building surfaces, lawn, trees, shrubs, landscaping, fencing, driveways, walks and other exterior improvements. In the event that the Owner neglects or fails to maintain his or her improved Lot and/or the exterior of his or her dwelling and other structures in a manner with other improved Lots and dwellings within the Properties or fails to maintain his or her improved Lot in a safe condition and free of debris, the Association may provide such exterior maintenance. Provided, however, that the Association shall first give written notice to the Owner of the specific items of exterior maintenance or repair the Association intends to perform and the Owner shall have twenty (20) days from the date of mailing of said notice within which to perform such exterior maintenance himself or herself. The determination as to whether an Owner has neglected or failed to maintain his or her Lot and/or dwelling in a manner consistent with other Lots and dwellings within the Properties shall be made by the Board, in its sole discretion. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article VI, Section 1. In the event the Association performs such exterior maintenance, repair or replacement, the cost of such maintenance, replacement or repairs including a reasonable administrative fee of 15% of the cost, shall be added to and become a part of the assessment to which such Lot is subject.

The Association shall be responsible for the above-ground maintenance of the off-site septic areas and common areas upon which they are located. The associated Lot Owner shall be responsible for repairs and maintenance of all underground septic facilities

serving their Lot including off-site service lines and off-site drain lines.

ARTICLE VII

USE RESTRICTIONS

SECTION 1. LAND USE AND BUILDING TYPE. No Lot shall be used except for single-family residential purposes. No residence shall be used as a rehabilitation home, half-way house or other group home. No building or other structure shall be erected, altered, placed, or permitted to remain on any Lot other than one detached single family dwelling not to exceed two stories in height (excluding any basement), a private garage for a minimum of two (2) cars and one storage type outbuilding located on a permanent foundation with siding material the same as the dwelling house and architecturally consistent with and of equal quality, design and construction, as the dwelling house. All dwelling houses shall have a minimum roof pitch of 8/12. All outbuildings shall have a minimum roof pitch of 6/12.

An Accessory Dwelling Unit (“ADU”) may be considered a residential use subject to compliance with local government ordinances, laws, and regulations, and approval from the ACC. Such ADU must not create undue traffic or parking demands and must otherwise conform to the rules and regulations from time to time promulgated by the Association. This provision or any other provision herein shall not prohibit Declarant or persons authorized by Declarant from using any house, other dwelling units or ADUs as models, a construction office or a sales office. No garage shall be erected such that the entry doors of the same shall face the street, unless the garage is of the “carriage” type whereby two (2) of the garage doors are located on the side and one (1) garage door is facing the street. On corner Lots, no garage door may face the street that the primary front facade of the house is facing. On corner Lots a side entry garage may be entered via a straightaway from the side street.

SECTION 2. DWELLING SPECIFICATIONS. No dwelling shall be erected or allowed to remain on a Lot if the heated area of the main structure, exclusive of open porches, decks, basements and garages, shall be less than 2,250 square feet for a one-story structure and 2,700 square feet for two-story dwellings as measured from the outside wall lines.

SECTION 3. BUILDING SETBACKS. No building shall be located on any Lot nearer to the front or rear Lot line, or any side street or Lot line, than shall be permitted under applicable local ordinances in effect at the time such building is to be constructed or as permitted by appropriate local governmental authority pursuant to a variance of such ordinances.

SECTION 4. EXTERIOR MATERIALS. All brick or brick and Hardie board are acceptable exterior materials. Artificial stucco, concrete, aluminum and vinyl are not appropriate exterior materials. There is no restriction on the material to be used for soffit, gables, and trim.

SECTION 5. NUISANCE. No noxious or offensive activity shall be conducted upon a Lot or

the Common Elements nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. In addition, no activity deemed noxious or offensive by the ACC shall be carried on upon any Lot or within the Common Elements, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood as determined by the ACC. Examples of such offensive activities shall include, but not be limited to, the origination or emission of any loud or disturbing noise or vibrations, the maintenance of an auto repair site, the maintenance of unsightly outdoor storage of personal property (including toys, motorcycles or other motor vehicles, tricycles, bicycles, wood piles or other miscellaneous items) on porches, patios, terraces or yards, or similar unsightly activity not in keeping with the aesthetic character and high level of appearance of the community. The ACC, with the approval of the Board, may establish reasonable rules and regulations for enforcing the provisions of this Section.

SECTION 6. SIGNS. Except for signs erected by Declarant or the Association within any Common Elements and signs erected by Declarant on Lots owned or leased by Declarant advertising the sale, lease or other promotion of Lots and dwellings constructed thereon within the Properties, no sign, permanent flag or flag pole shall be placed or allowed to remain on any Lot except for one (1) "For Sale" or "For Lease" sign. A temporary sign to advertise a yard sale or other temporary activity on the Lot shall not be permitted to remain on any Lot for more than seventy-two (72) consecutive hours. No sign deemed by Declarant or the Association to be a nuisance or a detriment to the Properties shall be permitted or allowed to remain on any Lot within the Properties. Declarant shall have the right to maintain on Lots owned by Declarant marketing signs for Norman's Place.

Installation of exterior decorative items, including but not limited to statuary, fountains or wishing balls shall be prohibited, but not including flags, political signs and/or permitted exterior decorative lights. Provided, however, that with respect to political signs and flags, the following shall apply:

POLITICAL SIGNS: Political signs are allowed but are limited to one sign per Property and must not be larger than 4 square feet. Signs cannot be posted prior to forty-five (45) days before or seven (7) days after an election, as defined in North Carolina General Statutes, Chapter 47F-3-121.

FLAGS: Flags are permitted but must be no larger than 4 X 6 feet and must be flown in a tasteful manner.

SECTION 7. SATELITE DISHES/ANTENNAE. No satellite dish or antenna shall be erected or maintained on any Lot, with the exception of a dish, one (1) meter in size or smaller. Any such dish shall be a color which blends with its surroundings, shall have a mast only as high as reasonably necessary to receive the intended signal, shall not be visible from any street and shall not be erected on a Lot between the dwelling and the street frontage.

SECTION 8. DRIVEWAYS. Driveways for each dwelling must be constructed of smooth concrete or brick pavers and shall be no less than ten feet in width and four inches in

depth, extending from the street curb line to at least the front line of the dwelling. No asphalt driveways or walkways are permitted. There shall be no headwalls on driveway pipe.

SECTION 9. MAILBOXES. Declarant intends to install common mailbox facilities. Such mailbox facilities may be installed on any part of the Common Areas and shall be subject to a nonexclusive easement in favor of the party installing such facilities for maintenance, repair and operation of such facilities as required.

SECTION 10. RESUBDIVISION OF LOT, STREETS, FENCES AND WALLS. Except with the express written consent of Declarant during Declarant's Development Period, and thereafter except with the express written consent of the ACC, no Lot shall be re-subdivided into a lot smaller than or different from the Lot shown on the recorded plat and no street shall be laid out or opened across or through any Lot.

Except for fences erected by Declarant or the Association, no fence, wall or other enclosure shall be erected or allowed to remain on any Lot unless the height, materials and location of the same have been approved by the ACC as provided in Article V of this Declaration. Only black metal fencing, with a maximum height of five (5) feet will be allowed. No fence on any Lot shall be permitted to extend nearer to any front street than the front building line of the residence located on that Lot, exclusive of any garage structure extending beyond the front of the main residence structure, and all fences shall be installed one (1) foot from all side and rear lines. Wood, chain link, welded wire, and split rail fences with wire backing are prohibited.

Chain link fencing may be erected by the Declarant or the Association without restriction on the Common Elements or anywhere within the Properties as reasonably required for purposes of safety or to meet governmentally imposed requirements.

SECTION 11. METAL STORAGE BUILDING, MOBILE HOMES, MODULAR HOMES, MANUFACTURED HOMES, TEMPORARY STRUCTURES, ETC. No metal storage building of a temporary or permanent character shall be permitted on any Lot. No mobile home, modular home, manufactured home, trailer, tent, or other like structure shall be located on any Lot. No structure of a temporary character, recreational or other vehicle, trailer, tent, shack, garage, barn or other out building shall be used on any Lot at any time as a residence either temporarily or permanently.

Notwithstanding the foregoing, Declarant shall have the right to maintain (i) one or more sales offices and one or more model homes in dwellings located on Lots owned or leased by Declarant for the promotion and sales of Lots and dwellings within the Properties, and (ii) one or more temporary trailers and other temporary structures on any Lot owned by the Declarant or on the Common Elements to facilitate the construction of improvements within the Properties.

No above-ground swimming pool(s) shall be constructed or maintained on any Lot and no clotheslines shall be permitted if visible from any street in the Properties. No fuel oil tank(s) shall be permitted or allowed to remain upon any lot.

SECTION 12. ANIMALS. No animals, livestock or poultry of any kind shall be raised or kept on any Lot for any commercial purpose,, except that dogs, cats or other household pets may be kept on Lots, provided that said dogs, cats, or other household pets; are kept in compliance with applicable local ordinances; are not kept for commercial purposes; are kept and maintained in compliance with all laws and ordinances of the State of North Carolina, and Guilford County and such rules and regulations pertaining thereto as the Board may adopt from time to time. Each Owner owning or having possession, charge, care, custody or control of any dog, cat or other household pet, shall keep such animal exclusively upon his or her Lot; provided, however, that such animal may be off the Lot if it is under the control of a competent person and restrained by a leash or other means of adequate physical control when off of the Owner's Lot. The Owner will be responsible for cleaning up any and all waste deposited by any animal upon any Lot, Roadway, Common Elements or trail.

SECTION 13. GARBAGE AND REFUSE DISPOSAL. No Lot shall be used or maintained as a dumping ground for rubbish, and all trash, garbage or other waste shall be stored in sanitary containers in accordance with the rules and regulations of all health or public safety authorities having jurisdiction over the Properties. All incinerators or other equipment shall be kept in clean and sanitary condition. No trash, garbage or other waste may be placed within the Common Elements, except in containers approved by the Board.

SECTION 14. PARKING AND VEHICLES. Each Lot shall contain sufficient off-street paved parking space for at least two (2) automobiles. No automobiles, trucks, motorcycles, recreational vehicles or boats shall be parked on any street within the Properties for a period in excess of forty-eight (48) hours. No boats, trailers, school buses, trucks or commercial vehicles over one (1) ton capacity or more, vans (except for mini-vans), recreational vehicles, campers or other like vehicles or equipment shall be parked or stored in any area on a Lot except inside an enclosed building. No wrecked, junked or vehicle without a current license plate and registration shall be permitted to remain upon any Lot. All vehicles operating within the Properties must have proper mufflers so as to eliminate noise which might be offensive to others. Mini-bikes, go-carts, ATVs and similar vehicles are prohibited from being used or operated on or within the Properties.

SECTION 14A. The Declarant, with respect to its site development of, and installation of infrastructure improvements on, the Common Areas and the Properties generally, and each Owner or Builder, in contracting for any landscaping, structural or other improvements on a Lot, shall make good faith efforts to coordinate construction traffic to minimize impact on other Lots and Properties.

SECTION 15. SALES, LEASING AND MARKETING. No activities will be engaged in by any Owner, including, but not limited to, erecting a sign or display within the Properties that would negatively impact the sales, leasing and marketing of Properties by the Declarant.

SECTION 16. SEASONAL DECORATIONS. Temporary seasonal exterior decorations shall not require the prior approval of the Board or the ACC, but if any such decorations are

determined, in the sole discretion of the Board or the ACC, to be distasteful or otherwise disruptive of the aesthetics or visual harmony of the community, the Board or the ACC may require that such decorations promptly and permanently be removed. In the event that an Owner neglects or fails to remove any such decorations at the request of the Board or the ACC, the Association may provide for such removal. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association that right to unobstructed access over and upon each Lot at all reasonable times for such purpose and the cost of such removal shall be added to and become a part of the assessment to which such Lot is subject. In no event shall seasonal decorations remain upon a Lot more than two (2) weeks following the holiday or event with which decorations are associated.

SECTION 17. MAINTENANCE. Each Lot shall be subject to the following maintenance requirements:

- a) Each Lot shall be maintained and preserved in a clean, orderly, and attractive manner within the spirit of the development;
- b) Each owner of a Lot shall be responsible for maintenance of the portion of the street right-of-way between his Lot and the street;
- c) The Declarant or its agent shall have the right to enter upon any Lot or area to remove such waste or cut and remove any construction material, grass, weeds, trees, stumps, brush, etc., on any Lot or area deemed by public authority or the Declarant or its agent, to be unsightly; and
- d) If the Declarant performs the work to comply with this restriction then the cost shall be borne by the Owner of the affected Lot, and the cost shall be a lien upon the Lot until paid.

SECTION 18. LANDSCAPING Landscaping installed on each Lot shall be subject to the following restrictions:

- a) Each Lot shall be initially landscaped prior to the issuance of a Certificate of Occupancy; and
- b) Landscaping shall be in harmony with other homes within the Properties and consistent with water-wise or water tolerant landscaping principles.

SECTION 19. SCREENING. Any and all woodpiles, garbage cans, or storage piles placed on a Lot (whether temporary or permanent) shall be screened to conceal same from the view of neighboring Lots, roads, streets, or Common Elements. The foregoing shall not apply to initial construction of improvements by the Declarant or a Builder and to subsequent construction of improvements on the Lot by the Owner that have been approved by the ACC and which construction is being diligently pursued.

SECTION 20. WAIVER OF MINOR VIOLATIONS. Except for violations of the restriction on the use of a Lot for other than single-family residential purposes at Article VII, Section 1, the minimum dwelling size requirements set forth at Article VII, Section 2, and the restrictions on exterior coverings of the dwellings set forth at Article VII, Section 4, of this Declaration, any violations of these Use Restrictions may be waived in whole or in part at any time by recorded written document executed by the Declarant or Board or its designee in their absolute discretion.

SECTION 21. ARTICLE V PRIORITY. Nothing contained in these Restrictions shall be construed to supersede the requirements contained in Article V, Architectural Control. The Declarant reserves the right, subject to the provisions of this Article VII, Section 21, to review and modify its continuing architectural and design program for the Common Areas, if any, and the Properties generally.

ARTICLE VII A **ADDITIONAL RESTRICTIONS AFFECTING COMMON AREAS**

It is the intent of the Declarant to maintain and enhance or to convey to the Association certain property that the Declarant has designated as "Common Areas" on the recorded subdivision plats of the Properties in the Office of the Register of Deeds of Guilford County, North Carolina. The Association shall be responsible for maintaining the ponds, if any, as directed by the governmental office having jurisdiction for water protection. If the Association should be dissolved or cease to exist, then all of the Owners of record at the time of required maintenance shall be jointly and severally liable for any and all costs attendant thereto.

It is the further intent and purpose of these restrictions and covenants to protect, maintain and enhance the conservation of natural and scenic resources; to promote the conservation of soil, wetlands, wildlife, game and migratory birds; to enhance the value of abutting and neighboring properties adjacent to such forests, open areas and open spaces; and to afford and enhance recreational opportunities. The Declarant reserves the right, subject to the provisions of Article VII, Section 21, to review and modify its continuing architectural and design program for the Common Areas and the Properties generally.

ARTICLE VII B

INSURANCE COVERAGE TO BE MAINTAINED: USE AND DISTRIBUTION OF INSURANCE PROCEEDS

SECTION 1. Insurance Required. The following insurance coverage, unless denoted to be optional, shall be maintained in full force and effect by the Association covering the operation and management of the Properties:

- a) **Casualty.** Casualty insurance covering the improvements, if any, upon the Common Areas which the Association may be required to maintain and all

personal property as may be owned by the Association, shall be procured in an amount equal to the insurance replacement value thereof as determined annually by the insurance company affording such coverage.

- b) Public Liability and Property Damage. Public liability and property damage insurance in such amounts and in such forms as shall be required by the Association.
- c) Cross-Liability Endorsement. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Association to any Owner or Member.
- d) Board and Officers. If available at reasonable cost, liability insurance on each officer and each member of the Board of Directors of the Association, together with a Fidelity Bond, which shall be optional, on the Treasurer of the Association, all in such amounts and in such forms as shall be required by the Association.

SECTION 2. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as common expenses to be assessed and collected from all Owners.

SECTION 3. Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association.

ARTICLE VIII **EASEMENTS**

SECTION 1. UTILITY AND DRAINAGE EASEMENTS. Easements for installation and maintenance of utilities (including cable television service) and drainage facilities are reserved as indicated on recorded plats. Within these easements no structures, 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 drainage easements, or which may obstruct or retard the flow of water through drainage channels in the easements. An easement is hereby established for the benefit of the appropriate governmental entity (and any other person or firm providing services to the Properties under agreement with or at the direction of the Association) over all Common Elements as may be reasonably necessary for the setting, removal and reading of water meters, and the maintenance and replacement of water and off-site septic pump lines, sewer and drainage facilities, and for the fighting of fires and collection of garbage. The Association shall have the power and the authority to grant and establish upon, over and across the Common Elements such additional easements as are necessary or desirable for the providing of service or utilities to the Common Elements or Lots. The area of such utility easements and all improvements therein shall be continuously maintained by each Lot Owner within

such Lot, except to the extent that maintenance of any such improvements located therein is the responsibility of a public authority or utility company. The area of any drainage easements and all improvements located therein, shall be continuously maintained by each Lot Owner within such Lot and, if the Lot Owner shall fail to maintain drainage easements and improvements, then the Association may maintain the drainage easements and improvements.

SECTION 2. LANDSCAPING AND SIGN EASEMENTS. Declarant and the Association shall each have the right to erect within the Common Elements subdivision signs and landscaping and lighting surrounding same. In addition, easements for the maintenance of subdivision signs and landscaping and lighting surrounding same are reserved as indicated on recorded plats. Declarant hereby reserves unto itself and grants, gives and conveys to the Association a perpetual, nonexclusive easement over the portion of Lots designated as "sign easements" on the plats of the Properties, now or hereafter recorded, to place, maintain, repair and replace subdivision signs and the lighting fixtures and landscaping surrounding same. The Association shall be responsible for maintaining, repairing and replacing any such signs, landscaping and lighting and the costs of such maintenance, repair and replacement shall be part of the common expenses of the Association, payable by the Owners as set out in Article IV hereof. In addition, Declarant, for so long as Declarant owns any Lot shown on the Master Plan as that plan is from time to time amended and approved, shall have the right to erect and maintain within the Common Elements and on those portions of any Lot designated "sign easement" signs advertising and promoting the sale and/or leasing of lots and dwellings within the Properties. As to the easements reserved and granted above with respect to those portions of Lots designated "sign easement," Declarant hereby reserves unto itself and gives, grants and conveys to the Association the right of ingress, egress and regress over other portions of such Lots as shall be reasonably necessary to effectuate the purposes stated above. The easements hereby granted shall run with the land in perpetuity and be binding upon and inure to the benefit of all persons and entities now owning or subsequently acquiring all or a part of the Property.

SECTION 3. EASEMENT RESERVED BY DECLARANT. Declarant hereby reserves such easements on, across and over the Common Elements as shall be reasonably necessary for (i) the exercise by Declarant of any right herein reserved, including, without limitation, Declarant's right, should Declarant elect, to annex the Additional Property, as hereinafter defined and (ii) the development by Declarant, its successors or assigns, of the Additional Property, should Declarant elect not to annex the Additional Property, including, without limitation, easements for ingress, egress and regress over private roads and streets now or hereafter erected on the Properties and easements for the use of utility lines, fixtures and/or their connections located within the Common Elements for the purpose of providing water, light, power, telephone, sewage and sanitary service to the Additional Property.

SECTION 4. ADDITIONAL DRAINAGE EASEMENTS. In order to implement effective and adequate erosion control, the Association at the Association's expense shall have the right to enter upon any portion of the Properties before and after improvements have been

constructed thereon for the purpose of performing any grading or constructing and maintaining erosion prevention devices; provided, however, no such activities shall interfere with any permanent improvements constructed on the Properties.

SECTION 5. ENCROACHMENTS. In the event that any improvements on a Lot shall encroach upon any Common Elements or upon any other Lot as a result of the initial improvements constructed by Declarant or for any reason not caused by the purposeful or negligent act of the Owner or agents of such Owner, then an easement appurtenant to such Lot shall exist for the continuance of such encroachment upon the Common Elements or other Lot for so long as such encroachment shall naturally exist; and, in the event that any portion of the Common Elements shall encroach upon any Lot, then an easement shall exist for the continuance of such encroachment of the Common Elements into any such Lot for so long as such encroachment shall naturally exist.

SECTION 6. NEGATIVE EASEMENT HIGHWAY ACCESS (LOTS BORDERING HIGHWAY 158). Negative Easements pertaining to access to North Carolina Highway 158 are reserved as indicated on recorded plats. Lots bordering N.C. Highway 158 ("Hwy. 158"), as indicated on recorded plats, shall not have a right of access, ingress, or egress to or from Hwy. 158 across or along the property lines of certain Lots and no access road, driveway, street, trail, path, or any type of improvement shall be constructed, allowed, and/or permitted to exist which shall cross the property lines on the Lots as indicated on recorded plats.

SECTION 7. SIGHT DISTANCE EASEMENT. Sight Distance Easements are reserved as indicated on recorded plats. Within these easements no structures, planting or other material shall be placed or permitted to remain which may interfere with the Sight Distance Easement. The owner of each Lot containing a sight Distance Easement shall maintain the easement area, by regularly mowing. Lot owner shall keep the area free from permanent vegetation other than grass and sod and shall comply with all state and local ordinances and regulations regarding the maintenance of the Sight Distance Easement, including all required mowing of vegetation. The Association shall have the authority to enforce the Sight Distance Easement. If a Lot owner fails to maintain said Lot upon which a Sight Distance Easement is located, then the Association shall keep the landscaping located thereon, if any, in a safe and neat manner and shall comply with all state and local ordinances and regulations regarding the maintenance of the Sight Distance Easement, including all required mowing of vegetation.

SECTION 8. JOVI LANE FIRE ACCESS. The Jovi Lane 20 foot Private Fire Access Apparatus Road with a 25 foot easement is reserved as indicated on recorded plats. The Association shall be responsible for the maintenance and upkeep, including all associated gating and shall comply with all state and local ordinances and regulations regarding Jovi Lane.

ARTICLE IX **COMMON ELEMENTS**

The Association shall be responsible for the repair, maintenance, upkeep and expense of the Common Elements including entrance signage, street lighting and street name

signage and any common mailbox facility or facilities (if not provided by the applicable governmental body or utility provider). Declarant reserves unto itself, its successors and assigns an easement over, across and through the Properties for access, installation, maintenance and repair for cluster mailbox units as may be necessary or appropriate to facilitate delivery and distribution of mail.

ARTICLE X

OFF-SITE SEPTIC EASEMENTS

The Association shall be responsible for the maintenance of the above-ground Off-Site Septic Easements located on the Common Areas. Each Lot Owner shall maintain and repair all septic lines located within the dedicated utility easements which serve their respective off-site septic field. The Association shall comply with all state and local ordinances and regulations regarding the maintenance of the off-site field and fines, including all required mowing of vegetation. The Owner of any Lot which is served by an Off-Site Septic Easement shall be solely responsible for all maintenance and repair of that portion of the septic system, including the septic tank, pump and lines. In the event of the failure of any off-site septic field, the Owner served by such off-site septic field shall be responsible, at her or his sole cost and expense. If the failed off-site septic field shall no longer be utilized for such purpose, the area in which the failed off-site septic field is located shall remain a Common Area and Open Space to be maintained and regulated by the Association.

Within these easements no improvements, structures, planting or other material shall be placed or permitted to remain which may interfere with the function of the septic system

ARTICLE XI

RIGHTS RESERVED UNTO INSTITUTIONAL LENDERS

SECTION 1. ENTITIES CONSTITUTING INSTITUTIONAL LENDERS.

"Institutional Lender" as the term is used herein shall mean and refer to banks, savings and loan associations, insurance companies or other firms or entities customarily affording loans secured by first liens on residences, and eligible insurers and governmental guarantors.

SECTION 2. OBLIGATION OF ASSOCIATION TO INSTITUTIONAL LENDERS. So long as any Institutional Lender shall hold any first lien upon any Lot, or shall be the Owner of any Lot, such Institutional Lender shall have the following rights:

- (a) To inspect the books and records of the Association during normal business hours and to be furnished with at least one (1) copy of the annual financial statement and report of the Association designated by the Board of the Association, such financial statement or report to be furnished by April 15th of each calendar year.

- (b) To be given notice by the Association of any action of the Association that requires for its approval a specific percentage of Owners or Members as stated in this Declaration, the Bylaws or Articles of Incorporation.
- (c) To receive notice of any condemnation or casualty loss affecting either a material portion of the Properties or the Lot securing the indebtedness to such mortgagee the Common Elements or any portion thereof.
- (d) To be notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
- (e) To have the right to approve of any alienation, release, transfer, hypothecation or other encumbrance of the Common Elements, other than those specific rights vested in the Association under Article II hereof.
- (f) To be given notice of any delinquency in the payment of any assessment or charge (which delinquency remains uncured for a period of sixty (60) days) by any Owner owning a Lot encumbered by a mortgage held by the Institutional Lender, such notice to be given in writing and to be sent to the principal office of such Institutional Lender, or to the place which it may designate in writing.

SECTION 3. REQUIREMENTS OF INSTITUTIONAL LENDER. Whenever any Institutional Lender desires to avail itself of the provisions of this Article, it shall furnish written notice thereof to the Association by certified mail at the address shown in the Articles of Incorporation identifying the Lot or Lots upon which any such Institutional Lender holds any first lien or identifying any Lot or Lots owned by such Institutional Lender and such notice shall designate the place to which notices, reports or information are to be given by the Association to such Institutional Lender.

ARTICLE XII **GENERAL PROVISIONS**

SECTION 1. ENFORCEMENT. The Owner(s) of each Lot shall be governed by and shall comply with the provisions of this Declaration, the Bylaws of the Association and all rules and regulations of the Association adopted pursuant thereto, as any of the same are now constituted or as they may be amended from time to time. A default or violation of this Declaration, the Bylaws or duly adopted Rules by any Owner shall entitle the Association or the Owner(s) of any of the other Lots to the following relief:

- (a) The Declarant, 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, the Bylaws of the Association and all rules and regulations of the Association adopted pursuant thereto. Failure to comply with any of the terms of this Declaration or other restrictions contained in the Bylaws of the Association, or which may be adopted pursuant thereto,

shall be grounds for relief, including without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof. The Association shall have the right to request that law enforcement, public safety and animal control officers come on the Properties to facilitate the enforcement of the laws, codes and ordinances of any governmental authority.

- (b) The Association, after notice to the Owner and a reasonable opportunity to be heard, shall have the right to assess reasonable fines against an Owner for violations of this Declaration, the Bylaws of the Association or the Association's published rules and regulations by such Owner, or such Owner's family, guests, invitees and lessees, in an amount not to exceed One Hundred and Fifty and no/100 Dollars (\$150.00) for each violation, and without further hearing, for each day after the decision that the violation occurs. Such fines shall be deemed to be assessments as set forth in Article IV of the Declaration and if not paid within thirty (30) days after notice and demand therefore, the Association shall be entitled to the remedies set forth in the Declaration for the enforcement and collection of delinquent assessments.
- (c) The Association, after notice to the Owner and a reasonable opportunity to be heard, shall have the right to suspend privileges or services provided by the Association (except rights of access to Lots) for reasonable periods of violations of this Declaration or the Bylaws, Articles or rules and regulations of the Association. If it is decided that a suspension of privileges or services provided by the Association should be imposed, the suspension may be continued without further hearing until the violation is cured.
- (d) If an Owner is legally responsible for damage inflicted on any Common Elements, the Association may direct such Owner to repair such damage, or the Association may itself cause the repairs to be made and recover damages from the responsible Owner. If damage is inflicted on any Lot by an agent of the Association in the scope of the agent's activities as such agent, the Association is liable to repair such damage or to reimburse the Owner for the cost of repairing such damages. The Association shall also be liable for any losses to the Owner. When any such claim for damages against an Owner or the Association is less than or equal to the jurisdictional amount established for small claims by North Carolina General Statutes Section 7A-210, any aggrieved party may request that a hearing be held before an adjudicatory panel appointed by the Board of the Association to determine if an Owner is responsible for damages to any Common Elements or the Association is responsible for damages to any Lot. If the Board of the Association fails to appoint an adjudicatory panel to hear such matters, such hearings shall be held before the Board. Such panel shall accord to the party charged with causing damages notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. This panel may assess liability for each damage incident against each Owner charged or against the Association not in excess of the jurisdictional amount established for small claims by North Carolina General Statutes Section 7A-210. When such claim exceeds the jurisdictional amount established for small claims by North Carolina General Statutes Section 7A-210, liability of any Owner charged or the Association shall be determined as otherwise provided by law and shall be assessments secured by lien under Section 47F-3-116 of the Planned Community Act (as amended from time to time). Liabilities of the

Association determined by adjudicatory hearing or as otherwise provided by law may be offset by the Owner against sums owing to the Association and if so offset, shall reduce the amount of any lien of the Association against the Lot at issue.

- (e) In any proceeding arising because of an alleged default by an Owner, the Association, if successful, shall be entitled to recover the costs of the proceedings and such reasonable attorneys' fees as may be determined by the Court.
- (f) The failure of the Association or any Owner to enforce any right, provision, covenant or condition which may be granted by this Declaration or the other above-mentioned documents shall not constitute a waiver of the right of the Association or of the Owner to enforce such right, provision, covenant or condition in the future.
- (g) All rights, remedies and privileges granted to the Association or the Owners, pursuant to any terms, provisions, covenants or conditions of the Declaration or other above-mentioned documents, shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.
- (h) The failure of Declarant to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration or other above mentioned document shall not constitute a waiver of the right of Declarant to thereafter enforce such right, provision, covenant or condition in the future.

SECTION 2. SEVERABILITY. Invalidation of any one of the covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

SECTION 3. 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 unless terminated or amended as hereinafter provided.

SECTION 4.AMENDMENT The Declarant reserves the right to amend this Declaration unilaterally without the joinder or approval of the Association or any Owner as may be necessary to exercise any of its rights reserved hereunder, conform this Declaration to the requirements of the Act, any municipal development regulation, or any regulation or guideline of any government or governmental agency regulating mortgages. Except for amendments by the Declarant as authorized by the Act or hereunder, this Declaration may be amended by the affirmative vote of, or by an instrument signed by, those Members having at least sixty-seven percent (67%) of the Total Association Vote. The amendment shall be effective upon its recording in the county in which the Property lies. Notwithstanding anything herein to the contrary, no amendment of this Declaration during the Period of Declarant Control shall be valid without the written consent and

joinder of Declarant.

Further, no amendment relating to the maintenance or ownership of any permanent detention or retention pond shall be effective unless also reviewed and approved by the governmental office having jurisdiction for watershed protection.

For the purpose of this section, additions to existing property by Declarant pursuant to Section 6 of this Article shall not constitute an "amendment."

No amendment purporting to reduce or revoke the restriction on the use of a Lot for other than single-family residential purposes at Article VII, Section 1, the minimum dwelling size requirement set forth at Article VII, Section 2, or the restrictions on exterior coverings of the dwellings set forth at Article VII, Section 4 of this Declaration, whether by the Declarant during the Period of Declarant Control or by vote of the Owners entitled to cast at least sixty-seven percent (67%) of the Total Association Vote shall be permitted, but this restriction shall not apply to prevent the termination of this Declaration with the consent of the Owners entitled to cast at least eighty percent (80%) of the votes of the Total Association Vote and the consent of the Declarant as herein provided

SECTION 5. TERMINATION OF DECLARATION. This Declaration may be terminated with the vote of at least 80% of the Total Association Vote in accordance with N.C. G.S. 47F-2-118. This Declaration may not be terminated during the Period of Declarant Control without the written consent and joinder of the Declarant. In the event this Declaration is terminated in accordance with the provisions hereinabove provided, the Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay a pro rata share of the cost of the maintenance of all permanent retention or detention ponds.

SECTION 6. ANNEXATION.

- (a) Except as provided in Subsection (b) of this Section 6, additional residential property and Common Elements may be annexed to the Properties with the consent of sixty-seven percent (67%) of the Total Association Vote at a meeting duly called for such purpose; provided, however, during the Period of Declarant Control, Declarant must also consent to such action.

(b) Additional land, including land identified on the recorded plat, which references "Future Phase 2" and Angel Farm Development II, LLC PIN 7910564921, Deed Book 8964, Page 1742, and together with any other property located adjacent to the Properties (collectively, the "Additional Property") may be annexed by the Declarant without the consent of Members within ten (10) years from the date of recordation of this Declaration. For the purpose of determining whether property is adjacent to the Properties, the rights-of-way public roads and utilities, as well as rivers and streams, shall be deemed not to separate otherwise adjacent property. Declarant shall have no obligation of any kind to annex any or all of the Additional Property and, should

Declarant elect to annex all or any portion of the Additional Property, Declarant shall have no obligation of any kind to annex the Additional Property in any particular sequential order.

Should Declarant elect to annex all or any portion of the Additional Property and accordingly to subject such property to the terms and conditions of this Declaration, Declarant reserves the right, with regard to all or any part of the Additional Property annexed by Declarant, to make such complementary additions and/or modification of the covenants and restrictions contained in this Declaration (including, without limitation those contained in Section 2 of Article VII hereof) as Declarant may deem necessary or convenient; provided, however, such additions and/or modifications shall not modify this Declaration with respect to the Properties previously subjected thereto.

Declarant may subject additional property to the covenants of this Declaration prior to completing the development of the Property. With regard to any portion of the Additional Property not annexed by Declarant, Declarant makes no representations with regard to the use of such property or the exterior appearance, design, size or intended purpose of any improvements now or hereafter erected on such property.

Should Declarant elect to annex all or any portion of the Additional Property and accordingly to subject such property to the terms and conditions of this Declaration, then the Period of Declarant Control shall continue, with regard to the Additional Properties, until (i) the date on which Declarant voluntarily relinquishes in writing its ability to appoint and remove members of the Board of Directors, or (ii) automatically on the date that is one year after Declarant's conveyance of the last lot, where said lot is part of the Additional Properties.

SECTION 7. DECLARANT'S RIGHTS. During the Period of Declarant Control Declarant shall have the authority and the power to exercise any of those special declarant rights enumerated in N.C.G.S. § 47F-1-103(28) in addition to those other rights specifically reserved by and for Declarant in this Declaration.

SECTION 8. DISPUTES WITH DECLARANT. In the event of a dispute between Declarant and any Owner or the Association, such dispute shall be resolved by the parties first engaging in good faith mediation. If good faith mediation fails to resolve the dispute the parties shall cause the dispute to be submitted to binding arbitration under the Rules of Arbitration set out in N.C.G.S 1-569 et. seq.

MANDATORY PROCEDURES.

- (a) **Notice.** Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:

the nature of the Claim, including the persons involved and Respondent's role in the Claim;

the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

Claimant's proposed remedy; and

that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation and Mediation.

The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.

If the Parties do not resolve the Claim within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) additional days to submit the Claim to mediation under an independent agency providing dispute resolution services in the County or surrounding areas.

If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; however, nothing herein shall release or discharge Respondent from any liability to any person other than the Claimant.

Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within Thirty (30) days after submission of the matter to the mediation, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

Within five (5) days of the Termination of Mediation, the Claimant shall make a final written demand ("Settlement Demand") to the Respondent, and the Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the Claimant fails to make a Settlement Demand, Claimants' original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer.

(c) Final and Binding Arbitration.

If the Parties do not agree in writing to a settlement of the Claim within fifteen (15) days of the Termination of Mediation, the Claimant shall have fifteen (15) additional days to submit the Claim to arbitration in accordance with the rules of arbitration promulgated or observed by the agency providing the arbitrator. If not timely submitted to arbitration or if the Claimant fails to appear for the arbitration proceeding, the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; however, nothing herein shall release or discharge Respondent from any liability to parties other than Claimant.

This Section 8(c) is an agreement to arbitrate and is specifically enforceable under any applicable arbitration laws of the State of North Carolina. The arbitration award ("Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of North Carolina.

(d) Allocation of Costs of Resolving Claims.

Each Party shall bear its own costs, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator(s) and all filing fees and costs of conducting the arbitration proceeding ("Post Mediation Costs").

Any Award that is equal to or more favorable to Claimant than Claimant's Settlement Demand shall add Claimant's Post Mediation Costs, including reasonable attorney's fees, to the Award, such costs to be borne equally by all Respondents. Any Award that is equal to or less favorable to Claimant than any Respondents' Settlement Offer shall award such Respondent its Post Mediation Costs, including reasonable attorney's fees.

(e) Enforcement of Resolution.

If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with this Section 7(b) and any Party thereafter fails to abide by the terms of such agreement, or if any Party fails to comply with an Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in Section 7(a), (b), and (c). In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

SECTION 9. AMPLIFICATION. The Provisions of this Declaration are amplified by the Articles of Incorporation and Bylaws of the Association; but no such amplification shall alter or amend any of the rights or obligations of the Owners set forth in this Declaration. Declarant intends that the provisions of this Declaration on the one hand, and the Articles of Incorporation and Bylaws of the

Association on the other be interpreted, construed, and applied to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, Declarant intends that the provisions of this Declaration control anything contained in the Articles of Incorporation or Bylaws of the Association.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the day and year first above written.

Angel Farm Development II, LLC, a North Carolina limited liability company

By: 
Craig S. Fleming, Member/Manager

STATE OF NORTH CAROLINA

Guilford COUNTY

I, Suzanne M Thomasson a Notary Public of the County and State aforesaid, certify that

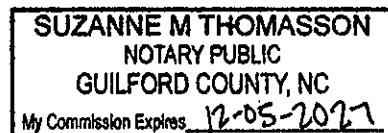
Craig S. Fleming personally came before me this day and acknowledged that he is a Member/Manager of Angel Farm Development II, LLC, a North Carolina limited liability company, and that by authority duly given and as the act of the company, the foregoing instrument was signed in its name by him as a Member/Manager.

Witness my hand and official stamp or seal,

this 10 day of September, 2026

Suzanne M Thomasson

NOTARY PUBLIC _____



My Commission expires: 12-05-2027