

**NORTH CAROLINA**  
**ROCKINGHAM COUNTY**

**DECLARATION OF MASTER COVENANTS  
CONDITIONS AND RESTRICTIONS  
FOR COUNTRY PARK**

**THIS DECLARATION**, made this 29<sup>th</sup> day of January, 1999, by **W. L. PRYOR, JR.**, hereinafter referred to as the Declarant;

**RECITALS:**

Declarant is the owner of certain, property in New Bethel Township, County of Rockingham, State of North Carolina, which is more particularly described as all of that certain parcel of land shown on the Plat entitled "Country Park," which appears of record in the office of the Register of Deeds of Rockingham County, North Carolina, in Plat Book 41, Page 12, said parcel being described in Exhibit A attached hereto. Declarant will convey the foregoing described property subject to certain protective covenants, conditions, restrictions, reservations, and charges as hereinafter set forth on the property a planned residential community to be known as COUNTRY PARK. Declarant further intends to provide for open spaces and common areas. Declarant does not intend to construct swimming pools, tennis courts or clubhouses upon the open spaces or common areas.

Declarant desires to provide for the preservation and maintenance of the spaces or common area and for certain other responsibilities in connection with Country Park and to this end desires to subject the real property described above, to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of the property comprising Country Park and each owner thereof.

Declarant has deemed it desirable for the foregoing purpose to create an entity to which shall be delegated and assigned the powers of owning, maintaining and administering the open spaces and common areas and facilities in Country Park, administering and enforcing these covenants, conditions and restrictions, collecting and disbursing the assessments and charges hereinafter created, promoting the recreation, health, safety, and welfare of the Owners and residents of Country Park and Declarant has incorporated under the laws of the State of North Carolina, Country Park Community Association as a non-profit corporation for the purpose of exercising the foregoing functions, among others.

**NOW, THEREFORE**, Declarant hereby declares all of the property described above to be held, sold, and conveyed subject to the following covenants, conditions, and restrictions, all of which are for the purposes hereinabove set forth, and which shall run with the real property, shall be binding on all parties having or acquiring any right, title or interest in the described property or any part thereof, and shall inure to the benefit of the Community Association and each member thereof.

ARTICLE I. DEFINITIONS

Section 1. "Community Association" shall mean and refer to Country Park Community Association, a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Country Park" shall mean and refer to that certain real property subject to this declaration and such additions thereto as may hereafter be brought within the jurisdiction of Country Park Community Association.

Section 3. "Common Area" shall mean and refer to all real property and interests in real property (including easements and open spaces) within Country Park owned by the Community Association for the use and enjoyment of Members. The portion of the Common Area to be owned by the Community Association at the time of the recordation of this Declaration of Covenants, Conditions and Restrictions is described as follows:

All of that property designated "Common Area" and "Open space," if any as shown on the Plat entitled Country Park, recorded in Plat Book 41 Page 12; which appears of record in the Office of the Register of Deeds of Rockingham County, North Carolina

Section 4. "Lot" shall mean any separately numbered plot of land, regardless of size, as shown on a recorded subdivision map of Country Park, which has been approved by Declarant and shall include the Dwelling Unit constructed thereon.

Section 5. "Dwelling Unit" shall mean a residence containing sleeping facilities for one or more persons and a kitchen.

Section 6. "Member" shall mean and refer to every person or entity entitled to membership with voting rights in the Community Association as provided in this Declaration.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of Country Park, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 8. "Declarant" shall mean and refer to W. L. Pryor, Jr., as well as his successors and assigns, if such successors or assigns should acquire any undeveloped land within Exhibit "A" attached hereto from the Declarant for the purpose of development.

Section 9. "Board of Directors" or "Board" means those persons elected or appointed to act collectively as the directors of the Community Association.

Section 10. "Bylaws" mean the bylaws of the Community Association as they now or hereafter exist.

**ARTICLE II. COMMON AREA OWNERSHIP AND MAINTENANCE**

**Section 1. Owners' Easements of Enjoyment:** Every Owner shall have a right of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot.

**Section 2. Delegation of Use:** Any Owner may delegate his rights of enjoyment of the Common Area to the members of his family, his lessees, contract purchasers who reside in Country Park or his guests.

**Section 3. Rules and Regulations:** The Community Association shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Area. Such rules and regulations may include, but are not limited to regulation of on and off street parking, traffic control, use of any lakes, ponds or other bodies of water, regulation of hours of use, limitation of the number of guests and curtailment of any use or uses of the Common Area the Community Association deems necessary for either the protection of the facilities or the best interest of Members. Such rules and regulations shall be maintained in a place reasonably convenient to the Members and available to them for inspection during normal business hours.

**Section 4. Regulations of Use of Common Area:** The Community Association shall have the power to limit the number of guests, to regulate hours of use and to curtail any use or uses of the Common Area it deems necessary for either the protection of the facilities or the best interest of Members.

**Section 5. Common Area Facilities Admission Fees:** The Community Association may charge reasonable admission and other fees for the use of any Common Area.

**Section 6. Suspensions:** The Community Association shall have the power to suspend the right to the use of any Common Area of a Class A Member or any person to whom that Member has delegated his right of enjoyment for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days, for any infraction of its published rules and regulations.

**Section 7. Mortgaging Common Area:** The Community Association shall have the power to borrow money for the purpose of improving the Common Area and facilities thereon and pursuant thereto to mortgage the Common Area, or any portion thereof; provided, however, that the execution of such mortgage shall require the same approval of Members which is required for special assessments for capital improvements as set forth in Article VI, Section 5 of this Declaration.

**Section 8. Common Area Dedication or Transfer:** The Community Association shall have the right to dedicate or transfer all or any part of the Common Area to any public agency, authority, individual or utility (including any entity or individual supplying cable television service or a private community television antenna system) for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective

unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of the membership has been recorded, agreeing to such dedication or transfer; provided, however that the Board of Directors of the Association, without the vote of the Members, shall have the right to, dedicate to the public authority any private street or cul-de-sac within the Common Area.

**ARTICLE III. LAND USE**

**Section 1. Restrictions:** All of Country Park shall be subject to the covenants, conditions and restrictions contained herein.

**Section 2. Designated Residential Property Restrictions: Rental:** All Lots shall be used, improved and devoted exclusively to residential use by the Owner thereof, his immediate family, guests, invitees and lessees. Any lease or rental agreement for a Lot shall be in writing and for a period of at least thirty (30) days. Such leases shall provide that the terms of the lease are subject to the provisions of this Declaration, the Articles of Incorporation and Bylaws of the Community 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. No Owner of any Lot shall permit the use of his Dwelling Unit for transient hotel or commercial purposes.

**Section 3. Common Areas Restriction:** All Common Area, including any recreational facilities and amenities thereon, shall be used, improved and devoted exclusively to recreational purposes and for the welfare and benefit of the Owners and for the general benefit and enhancement of Country Park.

**Section 4. Common Area Construction or Alteration:** No person shall undertake, cause, or allow any alteration or construction in or upon any portion of the Common Area except at the direction of and with the express written consent of the Community Association.

**Section 5. Nuisance or Annoying Activity:** No noxious or offensive activity shall be carried on, in or upon the Common Area.

**Section 6. Parking: Antennas:** The Community Association may regulate parking of all kind on the Common Area. The installation and maintenance of satellite discs in excess of 24" in diameter and of radio antennas shall be prohibited on Common Area, Dwelling Units, and Lots. The Community Association may regulate or prohibit the erection of television antennas on Common Area, Dwelling Units, or Lots.

**Section 7. Boats, Trailers and Motor Vehicles:** No boats, buses, trailers, campers or recreational vehicles shall park on any Common Area, or within the right of way of public or private streets in Country Park, provided, however, such boats or vehicles may be kept or stored on a private driveway located entirely within a Lot, but no nearer to the street than the front building line of the main structure on such Lot. No junked automobiles or any other type of salvage shall be placed or allowed to remain on any Lot, or on any street (public or private)

**Section 8. Animals:** No animals, other than dogs, cats or similar household pets, shall be kept on any Lot. All pets shall be confined to the owner or occupant's premises. No animals of

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any kind may be kept, bred or maintained on any Lot for any commercial purpose.

Section 9. Dwelling Specifications:

(a) Building Type. No structure shall be erected, altered, placed nor permitted to remain on any Lot other than one detached single family dwelling not to exceed two and one-half (2½) stories in height; a private garage for not more than three (3) cars, or other outbuildings incidental to residential use of the Lot. No mobile home nor kit house shall be allowed on any Lot.

(b) Dwelling Size. No dwelling shall be created nor permitted to remain upon any Lot unless the heated, finished living area is a minimum of 1,650 square feet. All computations of square footage shall exclude basement (whether daylight or underground), open porches and garages.

(c) Set Backs. No structure, overhang nor extension thereof shall be built closer to the front property line of the Lot than shall be established by the Declarant at the time of approval of dwelling plans. On each lot there shall be kept open an uncovered side yard along each side of each Lot of width, on each side, equal to at least twenty percent (20%) of the width of the Lot at its narrowest point between the front and rear lines. In the case of a corner Lot, the narrowest dimensions abutting a street shall be considered the front of the Lot. Minor violations of these requirements not exceeding five percent (5%) for side yard requirements or ten percent (10%) for set back requirements may be waived by the written consent of the owners of all adjoining lots.

(d) Easements. An easement ten (10) feet in width is reserved along each Lot line for installation and maintenance of utilities. Utility lines servicing residences shall be placed under ground.

(e) Trail. An easement is reserved along the property described and shown as the "Trail" on the Plat of Country Park.

Section 10. General Prohibitions and Requirements: The following general prohibitions and requirements shall apply and control the improvement, maintenance and use of all Lots:

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

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

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

(d) All dwellings and permitted structures erected or placed on any Lot shall be constructed of material of good grade, quality and appearance, and all construction shall be performed in good workmanship manner and quality. No used structures shall be relocated or placed on any Lot and no structure shall have an exterior constructed of concrete blocks, asbestos or asphalt siding. Any permitted outbuilding shall be of the same material, quality, general appearance and workmanship as the dwelling on the lot. The requirements of the Committee shall control all improvements to any Lot as is therein specified.

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

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

(g) No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any Lot or other area in the subdivision.

(h) Any dwelling or improvement on any Lot which is destroyed in whole or in part by fire or other casualty must be rebuilt or all debris removed and the Lot restored to a sightly condition with reasonable promptness, provided, however, that in no event shall such debris remain on such Lot longer than three (3) months.

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

(j) All outdoor poles, clotheslines and similar equipment shall be screened or so placed as not to be visible to the occupants of other Lots or the users of any street or recreation area.

(k) No mail or paper box or other receptacle of any kind for use in the delivery of mail or newspapers or magazines or similar material shall be erected or located upon any Lot except such receptacle or standard design as shall have been approved by the Committee.

(l) No sign (excluding typical "For Sale" and builder identification signs or similar signs), billboard or other advertising structure of any kind may be

erected or maintained upon any Lot; provided, however, that construction identification signs approved by the Committee showing the Lot number and name of the builder may be exhibited upon the Lot during the period of construction.

(m) No radio station or short wave operator of any kind shall operate from any Lot or residence without the prior written approval of the Committee. All radio and television antenna installations shall be approved in writing by the Committee before the antenna is installed.

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

(o) The erection of fences shall require approval of the Committee as provided in Article IV hereof but no fence shall be erected along the front line of any Lot nor along the side line of any Lot that adjoins a street except a split-rail, wooden fence of not more than three (3) horizontal rails. No fence of chain link type construction or in excess of four feet in height shall be approved by the Committee, except that the Committee, in its sole discretion, may approve fences of chain link construction and up to six feet in height for the purpose of confining pets provided same does not extend more than twenty-five (25) feet in any direction and are constructed within the minimum building setback lines.

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

**ARTICLE IV. ARCHITECTURAL CONTROL**

Section 1. Architectural Committee: An Architectural Committee consisting of three (3) persons shall be appointed by the Declarant. At such time as the Class B membership expires, the Architectural Committee shall be appointed by the Board of Directors of the Community Association.

Section 2. Plan or Design Approval: No site preparation or initial construction, erection, or installation of any improvements, including, but not limited to, Dwelling units, outbuildings, driveways, fences, walls, signs, television antennas, clothes lines, mailboxes, post lamps and other structures, or excavation, or changes in grade shall be undertaken upon any Lot, unless the plans and specifications therefore, showing the nature, kind, shape, heights, materials, and location of the proposed improvements shall have been submitted to the Architectural Committee and expressly approved in writing. No subsequent alteration or modification of any existing improvements or construction, erection or installation of additional improvements may be undertaken or allowed to remain without the review and express written approval of the Architectural Committee.

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Section 3. Effect of Failure to Approve or Disapprove: In the event that the Architectural Committee fails to approve or disapprove any of the foregoing within thirty (30) days after plans and specifications therefore have been submitted and received, approval will not be required, and the requirements of this Article will be deemed to have been fully satisfied; provided, that the plans and specifications required to be submitted shall not be deemed to have been received by the Architectural Committee if they contain erroneous data or fail to present full and adequate information upon which the Architectural Committee can arrive at a decision.

Section 4. Right of Inspection: The Architectural Committee shall have the right, at its election, to enter upon any of the Lots, in Country Park during preparation, construction, erection, or installation of any improvements to determine that such work is being performed in conformity with the approved plans and specifications.

Section 5 Exterior Maintenance: The exterior maintenance of Lots, the Dwelling Units located thereon and other improvements constructed thereon shall be the duty and responsibility of the Owner of such Lot and shall not be the responsibility of the Community Association. If, however, in the opinion of the Community Association any Owner shall fail to discharge his or its repair, maintenance and upkeep responsibilities in a reasonable and prudent manner to a standard harmonious with that of other Lots, in Country Park the Community Association, at its discretion, and following ten (10) days' written notice to the Owner or responsible person or entity, may enter upon and make or cause to be made maintenance work or repairs as may be deemed by the Community Association reasonably required. The Community Association, or its agents, shall have an easement for the purpose of accomplishing the foregoing. The costs incurred by the Community Association in rendering such services plus a service charge of twenty percent (20%) of such costs, shall be added to and become a part of the assessments to which such Lot is subject.

Section 6. Original Improvements by Declarant: Nothing herein contained shall in any way prevent or interfere with the right of the Declarant to construct the original improvements desired by Declarant on any Lot.

**ARTICLE V. MEMBERSHIP AND VOTING RIGHTS**

Section 1. Members: The Declarant, for so long as it shall be an Owner, and every person or entity who is an Owner of a fee simple or undivided fee simple interest in any Lot which is subject by covenants of record to assessments by the Community Association, including contract sellers, shall be a Member of the Community Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for membership, and no Owner shall have more than one membership, except as expressly provided hereinafter. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Community Association. The Community Association may promulgate reasonable rules relating to the proof of ownership of a Lot.

Section 2. Classes of Members and Voting Rights: The Community Association shall have two (2) classes of voting Members:



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Class A. Class A Members shall be all those Owners with the exception of the Declarant. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the required ownership interest. When more than one person or entity holds the required ownership interest in a Lot, all such persons or entities shall be Members. The vote for each such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot and no fractional votes may be cast.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot in which it holds the required ownership interest, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (a) The total votes outstanding in Class A Membership equal the total votes outstanding in the Class B Membership; or
- (b) January 1, 2007.

**Section 3. Right of Declarant to Representation on Board of Directors of the Community Association:** Notwithstanding anything contained herein to the contrary, until January 1, 2007, or until Declarant shall have conveyed or leased seventy-five percent (75%) of the Dwelling Units shown on the General Development Plan of Country Park heretofore submitted to Rockingham County contained within the property described in Exhibit "A" attached hereto, whichever first occurs, Declarant (or the assignee of the right granted in this Section) shall have the right to designate and select a majority of the Board of Directors of the Community Association. Whenever Declarant shall be entitled to designate and select any person or persons to serve on any Board of Directors of the Community Association, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Community Association. Declarant shall have the right to remove any person or persons selected by him to act and serve on the Board of Directors. Any Director designated and selected by Declarant need not be an Owner. Any representative of Declarant serving on the Board of Directors of the Community Association shall not be required to disqualify himself from any vote upon any contract or matter between Declarant and the Community Association where Declarant may have a pecuniary or other interest. Similarly, Declarant, as a member of the Community Association, shall not be required to disqualify itself upon any vote upon or entrance into any contract or matter between Declarant and the Community Association where Declarant may have a pecuniary or other interest.

**ARTICLE VI. ASSESSMENTS**

**Section 1. Creation of the Lien and Personal Obligation for Assessment:** The Declarant, for each Lot owned by it, hereby covenants, and every other Owner of any Lot subject to the provisions of this Declaration, by acceptance of a Deed therefore, whether or not expressed in any such Deed, is deemed to covenant and agrees to pay to the Community Association:

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- (a) Standard annual assessments or charges as herein provided;
- (b) Private street annual assessments, if applicable, as herein provided;
- (c) Special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided.

All annual and special assessments on a Lot, together with interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs, and reasonable attorney's fees (as provided in North Carolina General Statutes §6-21.2) incurred by the Community Association in collecting delinquent assessments shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the assessment became due. The obligation of an Owner for delinquent assessments shall not pass to his successors or assigns in title unless expressly assumed by such successor or assign.

Section 2. Purpose of Assessments:

(a) The assessments levied by the Community Association shall be used exclusively for the purposes of the general enhancement and promotion of Country Park, including without limitation the recreation, health, safety and welfare of the owners in Country Park the enforcement of these covenants and the rules of the Community Association, the improvement and maintenance of the Common Areas and facilities thereon, the maintenance of any water and sewer mains on Common Areas, the maintenance of any wastewater collection system, the maintenance of any dedicated streets within the Common Area which are not accepted for dedication by the appropriate governmental authority, the maintenance of insurance and for such other needs consistent with this Declaration as may arise.

(b) All monies collected by the Community Association shall be treated as the separate property of the Community Association, and such monies may be applied by the Community Association to the payment of any expense of operation and managing the properties, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Community Association. As monies for any assessment are paid to the Community Association by any Owner, the same may be commingled with monies paid to the Community Association by the other Owners. Although all funds and common surplus, including other assets of the Community Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Community Association, no member of the Community 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 an Owner shall cease to be a member of the Community Association by reason of his divestment of ownership of his

Lot, by whatever means, the Community Association shall not be required to account to such Owner for any share of the fund or assets of the Community Association, or which may have been paid to the Community Association by such Owner, as all monies which any Owner has paid to the Community Association shall be and constitute an asset of the Community Association which may be used in the operation and management of the Properties.

Section 3. Standard Annual Assessment: To and including December 31, 2000, the standard annual assessment shall be shared equally and shall not be in excess of \$150.00 payable in equal quarterly installments of \$37.50 for each Lot, except as otherwise provided herein, the exact amount of which shall be determined from time to time by the Board of Directors in accordance with the following provisions.

(a) From and after December 31, 2000, the standard annual assessment may be increased by the Board of Directors of the Community Association effective January 1 of each year, without the vote of the Members, by a percentage which may not exceed ten percent (10%).

(b) After December 31, 2001, the standard annual assessment may be increased by the assent of two-thirds (2/3) of the votes of each class of the Members who are voting in person or by proxy at a meeting called for such purpose. For this purpose, the Class B Members shall be entitled only to one vote for each Lot as to which it owns the required ownership interest. Written notice of the meeting shall be given to all Members not less than thirty (30) days in advance of the meeting. The provisions of this subparagraph (b) shall not apply to nor be a limitation upon any change in the standard annual assessment undertaken as an incident to a merger or consolidation in which the Community Association is authorized to participate under its Articles of Incorporation.

Section 4. Special Assessment for Repairs: In the event any portion of the Common Area is damaged or destroyed by an owner or any of his guests, tenants, licensees, employees, agents, or family members, the Community Association is hereby authorized to repair such damaged area in a good and workmanlike manner. The amount necessary for such repairs, labor and material, shall become a special assessment upon the Lot of said owner.

Section 5. Special Assessment for Capital Improvements: In addition to the standard and private street annual assessments authorized above, the Community Association may levy one or more special assessments applicable to that year only for the purpose of defraying the costs of construction or reconstruction, unexpected repair, or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (%) of the votes of each class of the Members (as defined and determined in Section 3(b) of this Article VI) who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days in advance of the meeting.

Section 6. Uniform Rate of Assessment: Both the standard annual and special

assessments, (with the exceptions of the Special Assessments authorized by Article VI, Section 5 above) must be fixed at a uniform rate for all Lots and shall be collected on quarterly basis in advance.

Section 7. Date of Commencement of Annual Assessments; Due Dates: The standard and private street annual assessment provided for herein shall commence as to each Lot on the first day of the month following the date on which such Lot has been rented by the Declarant or sold by the Declarant to an Owner subsequent to the construction of a Dwelling Unit thereon. The Community Association shall fix the amount of the standard and private street annual assessment against each Lot at least thirty (30) days in advance of each assessment period. Written notice of the standard and private street annual assessment shall be sent to every Owner subject thereto but failure to receive such notice shall in no way affect the obligation of each Owner therefore or the lien therefore as provided herein. The due dates and appropriate penalties for late payment shall be established by the Community Association. The Community Association, upon demand at any time, shall furnish a certificate in writing setting forth whether the assessment on a specified Lot have or have not been paid. A reasonable charge may be made by the Community Association for the issuance of these certificates. Such certificates shall be conclusive evidence of the status of the assessments due.

Section 8. Remedies for Nonpayment of Assessments: Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest rate allowed by law. The Community Association may bring an action at law against the Owner personally obligated to pay any assessments and interest or foreclose the lien created herein in the same manner as prescribed by the laws of the State of North Carolina for the foreclosure of Deeds of Trust. Costs and reasonable attorney's fees (as set forth in Article VI, Section 1 above), of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by the non-use of the Common Area or abandonment of his Lot.

In the event of such action at law and in the further event that such action results in a judgment being entered against the Owner and in favor of the Community Association, then, and in that event, the Community Association shall be further empowered to execute on that Judgment in such manner and to the extent provided and permitted by the laws of the State of North Carolina.

Section 9. Subordination of the Lien to Mortgages and Ad Valorem Taxes: The lien of the assessments provided for herein on any Lot shall be subordinate to the lien of any first mortgage, deed of trust or first purchase money deed of trust representing a first lien on said property and subordinate to ad valorem taxes. Sale or transfer of any Lot shall not affect the assessment lien; provided, however) that the sale or transfer of any Lot pursuant to a decree of foreclosure on a mortgage thereon or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability or liens arising from assessments thereafter becoming due.

**Section 10. Exempt Property:** Any portion of Country Park dedicated to, and accepted by, a local public authority shall be exempt from the assessments created herein; provided, however no land or improvements devoted to use as a dwelling shall be exempt from said assessments.

**ARTICLE VII. EASEMENTS**

**Section 1. Walks, Drives, Utilities, Etc.:** Common Areas shall be subject to such easements for walkways, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines, television antenna lines and other utilities, ingress, egress and regress and otherwise as shall have been established by the Declarant, whether by express easement or by the recording of a plat dedicating an easement, and the Community Association shall have the power and authority to grant and establish further easements upon, over, under and across the Common Area.

**Section 2. Encroachments: Declarant's Easement to Correct Drainage:** All Lots and the Common Area shall be subject to easements for the encroachment of initial improvements constructed by the Declarant to the extent that such initial improvements actually encroach, including, without limitation, such items as overhanging eaves, gutters, downspouts, exterior storage rooms, bay windows, steps and walls. If any encroachment shall occur subsequent to subjecting Country Park to this Declaration as a result of settling or shifting of any building or as a result of any permissible repair, construction, reconstruction, or alteration, there is hereby created and shall be and remain a valid easement for such encroachment for the maintenance of the same. For a period of twenty five (25) years from the date hereof, the Declarant reserves an easement and right on, over and under any property comprising Country Park to maintain and to correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action reasonably necessary. After such action has been completed, the Declarant shall restore the affected property to its original condition to the extent practicable. Declarant shall give reasonable notice of intent to take such action to all affected Owners. These rights and reservations are assignable by the Declarant.

**Section 3. Easement to Rockingham County and State of North Carolina:** An easement is hereby established for municipal, state or public utilities serving Country Park, their agents and employees over all Common Areas hereby or hereafter established for setting, removing, and reading utility meters, maintaining and replacing utility or drainage connections, and acting with other purposes consistent with the public safety and welfare, including, without limitation, police and fire protection.

**ARTICLE VIII. GENERAL PROVISIONS**

**Section 1. Enforcement:** The Community Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Community Association or by any Owner to enforce any covenant or restriction

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herein contained shall in no event be deemed a waiver of the right to do so thereafter.

**Section 2. Rights of Lenders and Insurers of First Mortgages:** "Institutional Lender" as the term is used herein shall mean and refer to banks, savings and loan associations, insurance companies, other firms or entities customarily affording loans secured by first liens on residences, and eligible insurers and governmental guarantors.

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 upon written request therefor the following rights:

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

(b) To be given notice by the Community Association of the call of any meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration of Covenants, Conditions and Restrictions or the Articles of Incorporation or By-Laws of the Community Association or of any proposed abandonment or termination of the Community Association or the effectuation of any decision to terminate professional management of the Community Association and assume self-management by the Community Association.

(c) To receive notice of any condemnation loss or casualty loss which affects a material portion of the Common Areas.

(d) To be notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Community Association.

(e) To have the right to approve of any alienation, release, transfer, hypothecation or other encumbrance of the Common Areas, other than those specific rights vested in the Community 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. Term and Amendment by Owners:** The covenants, conditions and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of

and be enforceable by the Community Association, or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The Covenants, Conditions and Restrictions of this Declaration may be amended during the first thirty (30) year period or thereafter by an instrument signed by the Owners of not less than ninety percent (90%) of the Lots; provided, however, that the Board of Directors of the Community Association with prior approval of VA or HUD), may amend this Declaration to correct any obvious error or inconsistency in drafting, typing or reproduction or amendment required by VA, HUD or the Federal National Mortgage Association, without action or consent of the Owners, and such amendment shall be certified and recorded in the Rockingham County Registry. Notwithstanding anything contained in this Section, any amendment or termination of this Declaration which shall materially and adversely affect the validity or priority of the lien of or the rights of Institutional lenders (as defined herein) holding first mortgage loans on property located within Country Park shall be required to have the prior approval of such Institutional Lenders.

Section 4. Amendment to Achieve Tax-Exempt Status: The Declarant, for so long as it shall retain control of the Board of Directors of the Community Association, and, thereafter, the Board of Directors, may amend this Declaration as shall be necessary, in its opinion, with the consent and approval of VA or HUD, and without the consent of any owner, in order to qualify the Community Association for tax-exempt status. Such amendment shall become effective upon the date of its recordation in the Rockingham County Registry.

Section 5. Certification and Recordation of Amendment: Any instrument amending this Declaration (other than an amendment by the Board of Directors to correct an error or inconsistency in drafting, typing, or reproduction) shall be delivered, following approval by the Owners to the extent that Owners approval is required by the provisions of this Declaration), to the Board of Directors. Thereupon, the Board of Directors shall, within thirty (30) days after delivery, do the following:

- (a) Reasonably assure itself that the amendment has been duly approved by the Owners as provided in Section 3 of this Article.
- (b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Community Association.
- (c) Within the thirty (30) day period aforesaid, cause the amendment to be recorded in the Rockingham County Registry.

Section 6. Effect and Validity of Amendment: All amendments shall be effective from the date of proper recordation in the Rockingham County Registry. When any instrument purporting to amend the covenants, conditions and restrictions has been certified by the Board of Directors and recorded as provided in this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment.

Section 7. Exchange of Common Area: Notwithstanding any provision herein to the

contrary, it is expressly provided that the Community Association may exchange with the Declarant, as well as any other Owner, for fair value any portion of the Common Area theretofore conveyed to the Community Association for additional property to be added to the Common Area. Any such exchange and conveyance shall be subject to prior VA or HUD approval. Upon such exchange and conveyance, the area conveyed shall cease to be Common Area and shall cease to be subject to the provisions of this Declaration relating to the Common Area. Any area acquired by the Community Association pursuant to the foregoing language shall become Common Area and shall be subject to the provisions of these covenants relating to the Common Area.

**Section 8. Limited Right to Combine Two Lots:** Notwithstanding anything to the contrary herein, an Owner who holds title to two contiguous Lots, neither or only one of which has been improved by a residence, may elect to have such Lots treated as a single Lot for purposes of this Declaration, including but not limited to, membership and voting rights as contained in Article V and the payment of assessments as contained in Article VI. An owner electing to exercise such right shall notify the Association in writing and the election shall be effective thirty (30) days thereafter. Provided, this right shall automatically terminate in the event that title to one or both of the Lots is transferred or a building permit is issued for a second residence on the lots. Further, this election does not apply to (i) the Declarant so long as it is a Class B Member of the Association; or (ii) any Owner for more than two Lots in Country Park.

**Section 9. Restrictive Protective Covenants for Lots and Townhouse Sites:** Nothing herein shall affect the Declarant's right to establish, from time to time, appropriate specific additional covenants for the development and use of Lots for attached or detached Dwelling Units.

**Section 10. Conflicts:** In the event of any irreconcilable conflict between this Declaration and the Bylaws of the Community Association, the provisions of this Declaration shall control. In the event of an irreconcilable conflict between this Declaration or the Bylaws of the Community Association and the Articles of Incorporation of the Community Association, the provisions of the Articles of Incorporation shall control.

**Section 11. Severability:** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

**Section 12. Contract Rights of Community Association:** The undertakings and contracts authorized by the initial Board of Directors (including contracts for the management of Country Park) shall be binding upon the Community Association in the same manner as though such undertakings and contracts had been authorized by any Board of Directors duly elected by the membership after the recording of this Declaration, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the Community Association in accordance with this Declaration, the Articles of Incorporation and the Bylaws; and provided further than any undertaking or contract entered into by the Community Association at a time the Declarant has the right to appoint a majority of the Board of Directors shall contain a provision reserving the right of the Community Association to



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terminate such undertaking or contract upon not more than sixty (60) days written notice to the other party(ies) thereto.

**ARTICLE IX. DISSOLUTION OR INSOLVENCY OF THE COMMUNITY ASSOCIATION**

The Community Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of Members. Upon dissolution of the Community Association, other than incident to a merger or consolidation, the assets of the Community Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Community Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused these presents to be executed this the 29<sup>th</sup> day of January, 1999.

W. L. Pryor, Jr. (SEAL)  
W. L. Pryor, Jr.

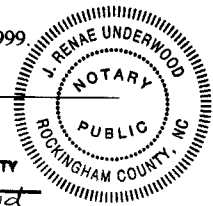
FILED  
ROCKINGHAM COUNTY NC  
REBECCA B. CIPRIANI  
REGISTER OF DEEDS  
3-17-1999 2:42:37  
RECORDING 38.00  
PROBATE 2.00  
REVENUE STAMPS —  
RECEIPT NO. 18828-00T  
BOOK 1007 PAGE 361

**NORTH CAROLINA  
ROCKINGHAM COUNTY**

I, J. Renae Underwood, a Notary Public for the above County and State do hereby certify that W. L. Pryor, Jr., personally appeared before me this day and acknowledged due execution of the foregoing instrument.

WITNESS my hand and notarial seal this the 29<sup>th</sup> day of January, 1999.

J. Renae Underwood  
Notary Public



My Commission Expires: 8-16-99

**NORTH CAROLINA-ROCKINGHAM COUNTY**  
The certificate(s) of  
J. Renae Underwood  
a Notary (Notaries) Public is (are) certified to be correct.  
This instrument and this certificate are duly registered at  
the date and time shown herein.  
REBECCA B. CIPRIANI, REGISTER OF DEEDS  
BY Rebecca A. Hodges  
Assistant/Deputy Register of Deeds