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REGISTRY OF DEEDS
DAVIDSON CO., N.C.
DECLARATION
REGISTRY OF DEEDS
DAVIDSON CO., N.C.

OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, Made on the date hereinafter set forth
by K & C DEVELOPMENT CORPORATION
a corporation of Guilford
County, North Carolina, hereinafter referred to as "Declarant."

WITNESSETH:

THAT WHEREAS, Declarant is the owner of certain property
in Thomasville Township, County of Davidson, State
of North Carolina, which is more particularly described in Schedule
"A" attached hereto.

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

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to TREYMONT
POINTE HOMEOWNERS ASSOCIATION, its succes-
sors and assigns.

Section 2. "Owner" shall mean and refer to the record owner,
whether one or more persons or entities, of a fee simple title
to any Lot which is a part of the Properties, including contract
sellers, but excluding those having such interest merely as
security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain
real property hereinbefore described, and such additions thereto
as may hereafter be brought within the jurisdiction of the Associa-
tion.

Section 4. "Common Area" shall mean all real property owned
by the Association for the common use and enjoyment of the owners.
The Common Area to be owned by the Association at the time of
the conveyance of the first lot is described as follows:

All that land designated "Common Area" as shown on the plat
entitled, "Phase I, Trey mont Pointe" which appears of record
in the Office of the Register of Deeds of Davidson County,
North Carolina in Plat Book 18, at Page 35.

This document is being re-recorded to include Schedule "A" referred
to above.

David L. Maynard

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to K & C DEVELOPMENT CORPORATION, a North Carolina corporation, its successors and assigns, if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "First Mortgagee" shall mean and refer to the holder of any mortgage or deed of trust under which the interest of any Owner is encumbered and which mortgage or deed of trust has first and paramount priority subject only to the lien of general or ad valorem taxes and assessments.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following limitations and provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two thirds (2/3) of each class of members has been recorded;

(d) The rights of Owners to the exclusive use of parking spaces as provided in this Article;

(e) The right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area.

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

Section 3. Parking Rights. Each individual Lot Owner shall have exclusive parking rights to the driveway located between the front of his Lot and the street.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall all be Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be only the Declarant and it shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) On June 30, 19 88.

ARTICLE IV

COVENANT FOR MAINTENANCE 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 of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, security, safety and welfare of the residents in the Properties and in particular for the acquisition, improvement and maintenance of Properties, services and facilities devoted to this purpose and related to the exterior maintenance of the homes situated upon the Properties or for the use and enjoyment of the Common Area, including but not limited to, the cost of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, and the payment of taxes assessed against the Common Area, the procurement and maintenance of (insurance related to the Common Area) its facilities and use in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$ 750.00 per Lot; provided, however, the assessment for the Class B member for any vacant Lot or a Lot superimposed with an unoccupied, unsold home shall be twenty-five percent (25%) of the Class A assessment.

From January 1 of the calendar year immediately following the first conveyance of a Lot to an Owner:

(a) The maximum annual assessment shall be established by the Board of Directors and may be increased by the Board of Directors without approval by the membership by an amount not to exceed the percentage increase shown on the U. S. Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners or, if such index shall cease to be published, then by the index most nearly comparable thereto.

(b) The maximum annual assessment may be increased without limit by vote of two thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

At any time the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

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 cost of construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots subject to assessment and may be collected on a monthly basis.

Section 6. Notice and Quorum for an Action Authorized under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. 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. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. 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 the rate of six percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for any of the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding, conveyance or assignment 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. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage.

Section 10. Exempt Property. All property dedicated to, and accepted by a local public authority, and all properties owned by a charitable or nonprofit 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

No building, awning, fence, wall or other structure or any planting or removal of vegetation of any type shall be commenced erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, color, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Provided that nothing herein contained shall be construed to permit interference with the development of the Properties by the Declarant or maintenance of public utilities so long as said development follows the general plan of development of the Properties previously approved by the FHA/VA.

ARTICLE VI

PARTY WALLS

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

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

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

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

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

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

ARTICLE VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: painting, repair, replacement and care of roofs, exterior building surfaces, trees, grassed areas, shrubs, walks and other exterior improvements, but specifically excepting therefrom any glassed area. 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.

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

ARTICLE VIII

USE RESTRICTIONS

Section 1. Land Use and Building Type. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single family dwelling not to exceed three stories in height.

Section 2. Sales and Construction Facilities of Declarant. Notwithstanding any provision in Section 1, Declarant, its agents, employees and contractors shall be permitted to maintain during the period of construction and sale of the Lots in the Properties upon such portion of the Properties as Declarant may choose, such facilities as may be reasonably required in the construction and sale of Lots, including but not limited to, a business office, storage area, construction yards, signs, model Lots, sales office, construction office, parking area and lighting and temporary parking facilities for all prospective tenants or purchasers of Declarant.

Section 3. No Other Business. No other business activity of any kind shall be conducted in any Lot or on the Properties.

Section 4. Dwelling Specifications. No dwelling shall be permitted having a ground area of the main structure, exclusive of one story open porches, of less than 1,800 square feet for a one story dwelling, nor less than 800 square feet per story for a two story dwelling.

Section 5. Nuisance. No noxious or offensive activity shall be conducted upon any Lot or Common Area nor shall anything be done thereon which is or may become an annoyance or nuisance to the neighborhood.

Section 6. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats, or other household pets may be kept or maintained, provided they are not kept or maintained for commercial purposes.

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

Section 8. Clothes Drying. No drying or airing of any clothing or bedding shall be permitted outdoors on any Lot within the Properties.

ARTICLE IX

EASEMENTS

Section 1. Utilities. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the rear 5 feet of each Lot and

over a five foot strip reserved along all other Lot lines. Within these easements no structure, planting or other material shall be placed or permitted to remain, except the original structure and any replacement thereof, which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 2. Encroachments. If any portion of the Common Area now encroaches upon any Lot or if any Lot now encroaches upon any other Lot or upon any portion of the Common Area, as a result of the construction of a building, or if any such encroachment shall occur hereafter as a result of settling or shifting of any building or for any other reason, a valid easement for the encroachment and for the maintenance of the same so long as the building stands shall exist. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Lot.

ARTICLE X

COVENANTS OF OWNER TO KEEP UNITS INSURED AGAINST LOSS AND TO KEEP IN GOOD REPAIR

The Declarant covenants with the Association, on behalf of itself and on behalf of each subsequent Owner of a Lot within the Properties, and each Owner of any Lot within the Properties, by acceptance of a deed therefor, whether or not it shall be so expressed in said deed, or by exercise of any act of ownership, is deemed to covenant:

(1) To keep each dwelling unit upon a Lot subject to assessment insured against loss by fire with what is commonly called extended coverage in an amount equal to at least ninety percent (90%) of the replacement value of such dwelling unit;

(2) To name the Association as an insured "as its interest may appear" so that the Association shall be entitled to receive notice of cancellation of such insurance policies (subject to the provisions and covenants contained in any mortgage or mortgages, deed of trust or deeds of trust creating a lien against any Lot) which shall be issued by companies acceptable to the Association; and

(3) To keep the dwelling unit in good repair as provided by the By-Laws of the Association.

In the event of nonpayment of any premium for insurance required under this Article X, the Association is authorized to pay such premium and sums so paid shall become a lien upon the insured Lot which shall be enforceable in the same manner and to the same extent as provided for enforcement of liens for assessments hereunder.

ARTICLE XIII

EXCLUSIONS

That part of the plat shown to be in Guilford County is not a part of the Common Area, and title is retained by the Declarant.

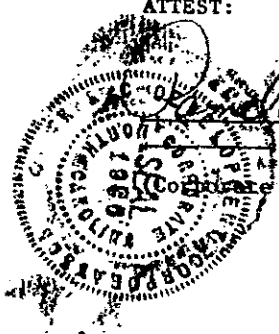
IN WITNESS WHEREOF, the said K & C DEVELOPMENT CORPORATION,
a corporation of Guilford County, North Carolina, has caused
this document to be executed in its name by its
President, attested by its _____ Secretary, with its
corporate seal affixed hereto, this the 31st day of
July, 1985.

K & C DEVELOPMENT CORPORATION

By Richard C. Cullen
President

ATTEST:

Janella P. Cullen
Secretary
(Corporate Seal)



STATE OF North Carolina
COUNTY OF Guilford

I, Martha Hutchens, a Notary Public
of said County and State, do hereby certify that Annula A.
Cullen personally appeared before me this
day and acknowledged that he/she is _____ Secretary of K & C
DEVELOPMENT CORPORATION, Declarant, and that, by authority duly
given, and as the act of the corporation, the foregoing instrument
was signed in its name by its _____ President, sealed with
its corporate seal, and attested by ~~himself~~/herself as its
Secretary.

WITNESS my hand and official seal, this the 31st
day of July, 1985.



Martha Hutchens
Notary Public

My Commission Expires: 4-25-88

State of North Carolina
County of Davidson

The foregoing certificate of Martha Hutchens, Notary
Public of Guilford County, is certified to be correct.
This the 2nd day of August, 1985.

Ronald W. Callicutt assistant
Ronald W. Callicutt - Register of Deeds

SCHEDULE A

Lying and being in Thomasville Township, Davidson County, North Carolina, and being more particularly described as follows:

BEING ALL THAT land as shown on the plat of Phase I, Treymont Pointe, which appears of record in the Office of the Register of Deeds of Davidson County, North Carolina, in Plat Book 18, at Page 35.