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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
THE MIDLANDS AT BEDFORD and
THE HIGHLANDS AT BEDFORD
(Part of the Bedford Community)

Prepared by/return to:
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2401 Robeson Street
Fayetteville, NC 28305

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made this the 20th day of May, 2015, by BREEZEWOOD OF FAYETTEVILLE, LLC, a North Carolina limited liability company, hereinafter referred to as "Declarant".

It is noted that PELICAN PROPERTY HOLDINGS, LLC, and GREAT OAKS PROPERTY HOLDINGS, LLC, [although not owners of any portion of the Bedford Community (as defined below) at this time] also execute this Declaration for the sole purpose of assuming those certain co-declarant rights as stated in Article 1, Section 5 hereof.

WITNESSETH:

Declarant is the owner of certain property in the McLaughlin Township, Hoke County, North Carolina shown on plats entitled:

1. "THE MIDLANDS AT BEDFORD, Phase 1" recorded in Plat Cabinet 4, Slide 4-76, Map 007, of the Hoke County, NC, Registry (the "Midlands"); and
2. THE HIGHLANDS AT BEDFORD, Phase 1" recorded in Plat Cabinet 4, Slide 4-76, Map 006, of the Hoke County, NC, Registry (the "Highlands")

These two communities are part of the Bedford Community, a master-planned community (the "Bedford Community"). The Midlands and the Highlands will be comprised of single family residential homes. Declarant desires to provide for the preservation of the values and amenities and for the maintenance of the common area in the Midlands and the Highlands and under a general plan or scheme of improvement desires to subject said property to the covenants, restrictions, easements, affirmative obligations, charges and liens hereinafter act forth, hereinafter referred to as the "Covenants" or the "Declaration", all of which is hereby declared to be for the benefit of said property and each and every owner of any and all parts thereof.

Declarant deems it desirable, for the efficient preservation of the values and amenities in said

community, to create an agency to which can be delegated and assigned the power and authority of maintaining and administering the common properties, administering and enforcing these covenants and restrictions and collecting and disbursing all assessments and charges necessary for such maintenance, administration and enforcement. Bedford Residential Owners Association, Inc. is incorporated under the laws of the State of North Carolina as a non-profit corporation and can exercise the functions aforesaid, which functions are hereinafter more fully set forth.

NOW THEREFORE, the Declarant declares that the real property depicted on the above-described plats shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject to the covenants, restrictions, conditions, easements, changes, assessments, affirmative obligations, and liens hereinafter set forth. This Declaration and the affirmative and negative burdens of these covenants, shall touch and concern and run with the land herein referred to as the "Property." All rights and easements reserved by the Declarant hereunder shall also be reserved to the assignees and successors in interest of the Declarant.

ARTICLE I **DEFINITIONS**

Section 1. "Association" shall mean and refer to the Bedford Residential Owners Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Board" or "Board of Directors" shall mean those persons elected or appointed and acting collectively as the Board of Directors of the Association.

Section 3. "Common Properties" or "Common Areas" shall mean and refer to:

- (a) stormwater ponds, open space, and drainage easements affecting or benefiting the Property as shown on the Plats;
- (b) private streets and roadways as shown on the Plats (except for that portion of Bedford Drive owned and maintained by the Bedford Master Association, Inc.);
- (c) any landscaping or hardscaping within the common areas, including the "sign & landscape easements" as shown on the Plats (but excluding those sign and landscape easements located at the intersection of Bedford Drive and US Highway 401 owned and maintained by the Bedford Master Association, Inc.);
- (d) sidewalk easements as shown on the Plats and any sidewalks as may be constructed therein;
- (e) entrance gate, gate house, and any clubhouse and swimming pool which may be built; and
- (f) any personal property acquired by the Association.

All Common Area is to be devoted to and intended for the common use and enjoyment of the Owners, persons occupying dwelling places or accommodations of Owners on a guest or tenant basis, and visiting members (to the extent permitted by the Board of Directors of the Association) subject to the fee schedules and operating rules adopted by the Association; provided, however, that any lands which are leased by the Association for use as Common Area shall lose their character as Common Area upon the expiration of

such Lease. Reference to Common Area in these covenants does not imply or guarantee that the Property affected by these covenants or any future section(s) of Bedford Community will have any Common Area.

Section 4. "Common Expenses" shall mean and include:

- (a) All sums lawfully assessed by the Association against its members;
- (b) Expenses of administration, maintenance, repair, or replacement of the Common Area, including, without limitation, all labor, services, common utilities, materials, supplies, equipment, costs incurred in acquiring a Lot pursuant to a judicial sale, legal, accounting or managerial fees, and all expenses in connection with the Association's responsibilities under any Stormwater Management Agreement (the "Stormwater Agreement") affecting the Property;
- (c) Expenses declared to be common expenses by the provisions of this Declaration or the Bylaws;
- (d) Hazard, liability, or such other insurance premiums as the Declaration or the Bylaws may require the association to purchase or as the Association may deem appropriate to purchase;
- (e) Ad valorem taxes and public assessment charges lawfully levied against Common Area;
- (f) The expense of the maintenance of private drainage and utility easements and facilities located therein which are within the boundaries of the Property;
- (g) The expense of maintenance of any roads, streets, easements, landscaping, amenities, taxes or any other expense item associated with any Common Property not located on the Property but permitted to be used by the members of this Association by any adjoining landowner, association or other entity pursuant to any cross-easement, cross-access or other agreement by the Association with the adjoining land owner;
- (h) Payments into any escrow account required under any Stormwater Agreement, which may include funding of the escrow account prior to a transfer of maintenance and operation responsibilities from Declarant to Association;
- (i) Expenses relating to the maintenance of the entrance gates, the employment of any personnel to man the security gate; and
- (j) Any other expenses determined by the Board or approved by the members to be common expenses of the Association.

Section 5. "Declarant" shall mean Breezewood of Fayetteville, LLC, a North Carolina limited liability company, and its successors and assigns. Also, notwithstanding anything to the contrary herein, in addition to Breezewood of Fayetteville, LLC (and any other person or entity that succeeds to any special declarant rights as defined in Section 47F-3-104), it is expressly declared that Pelican Property Holdings, LLC and Great Oaks Property Holdings, LLC, both North Carolina limited liability companies, shall be vested with any and all Declarant authority, special or otherwise, as stated in this Declaration. That is, these entities shall likewise have the authority to take any action as Declarant pursuant to the terms of this Declaration.

Section 6. "Covenants" or "Declaration" shall mean this instrument as it may be from time to time

amended, supplemented, modified or incorporated by reference.

Section 7. "Lot" shall mean and refer to any numbered plot of land shown on the Plats or any plat of any additional phases of the Midlands, the Highlands, or other single family residential phase of Bedford Community, as such map or maps may be from time to time recorded, amended, or modified, excluding any common area or open space.

Section 8. "Member" shall mean and refer to every person or entity entitled to membership in the Master Association.

Section 9. "Owner" shall mean and refer to the owner as shown by the records in the Register of Deeds of Cumberland County, North Carolina, whether it be one or more persons, firms, associations, corporations, or other legal entities, including the Declarant, of fee title to any Lot depicted on the plat of the Highlands or the Midlands, but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee or holder of a security deed, its successors or assigns, unless and until such mortgagee or holder of a security deed has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

Section 10. "Period of Declarant Control" means the period commencing on the date hereof and continuing until the earlier of (i) December 31, 2035; or (ii) when Declarant has voluntarily terminated its Declarant Rights hereunder in writing.

Section 11. "Plat" or "Plats" shall refer to the following:

Plat entitled "THE MIDLANDS AT BEDFORD, Phase 1" recorded in Plat Cabinet 4, Slide 4-76, Map 007, of the Hoke County, NC, Registry; and

Plat entitled THE HIGHLANDS AT BEDFORD, Phase 1" recorded in Plat Cabinet 4, Slide 4-76, Map 006, of the Hoke County, NC, Registry.

Section 12. "Property" or "Subdivision" shall mean and refer to the land as shown on the Plats. "Property" shall also include future sections of Bedford Community as the same may be annexed pursuant to Article III below.

ARTICLE II

PROPERTY SUBJECT TO MASTER DECLARATION FOR BEDFORD COMMUNITY

The Property shall be held, transferred, sold, conveyed, leased, mortgaged and occupied subject to the terms, provisions, covenants, and conditions of that certain Master Declaration of Covenants, Conditions and Restrictions of the Bedford Community, recorded in Book 1116, Page 546, of the Hoke County Registry (the "Master Declaration"). The terms of this Declaration are expressly made subject to the terms of the Master Declaration, including but not limited to, declarant rights, easement rights, assessment rights, lien rights, and other rights reserved in said Master Declaration, that may affect some or all of the Property. If there is any inconsistency between the terms of this Declaration and the terms of the Master Declaration, then the terms of the Master Declaration shall control.

ARTICLE III

PROPERTY, UTILITIES, AND RESERVED RIGHTS

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed,

given, donated, leased and occupied subject to these covenants is defined as the Property above.

Section 2. Annexation of Additional Property. At any time prior to December 31, 2035, additional land may be annexed by the Declarant without the consent of the Members and therefore become subject to this Declaration by the recording by Declarant of a plat showing such property to be annexed and of a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed. Any property annexed pursuant to this subsection may be annexed and subjected to this Declaration as one parcel or as several parcels at different times. The addition of such property pursuant to this section may increase the cumulative number of Lots within the Property and therefore, may alter the relative maximum voting strength of the various types of Members. Any Supplemental Declaration may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration, including, without limitation, different voting rights and different annual and special assessments for the Lots so annexed as Declarant, in its sole discretion, may deem necessary or appropriate to reflect the different character or use of the property added. A Supplemental Declaration annexing additional property need only be executed by the Declarant and, if applicable, by the owner of the property being annexed, and shall not require the joinder or consent of the Association or any of its Members.

Section 3. Special Declarant Rights. Declarant reserves the following special declarant rights for the entire Property during the period of Declarant control:

- (a) To complete any and all improvements indicated on the plats and plans;
- (b) To exercise any development right reserved in this Declaration;
- (c) To construct and maintain any sales office, signs advertising the Property or any property which may be added thereto, management office or model on any of the Lots or on any of the Common Area shown on the plat;
- (d) To use easements through the Common Area for the purpose of making improvements within the Property or any property added thereto; to enter upon the subdivision for access, including ingress and egress for both vehicles and pedestrians, to and from any public street; or to connect at Declarant's expense to any street, roadway walkway or other means of access located on the Common Area;
- (e) To create and add Lots, to alter the size of any Lot, combine or merge two or more Lots, to subdivide Lots or other Property into Common Property, to add Common Area, or to extend streets and utilities through Lots;
- (f) To appoint or remove any officer or member of the Association Board during the period of Declarant control;
- (g) To annex any adjacent property developed in conformity with this Declaration;
- (h) To transfer responsibility for any storm water detention ponds or other BMP's affecting the Property to the Association in accordance with the Stormwater Agreement; or
- (i) To remove any portion of the Properties then owned by the Declarant or the Association from the coverage of this Declaration, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Bedford Community, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Bedford Community; and
- (j) To approve any supplemental declaration or other declaration of covenants, conditions or restrictions affecting any phase, sub-section or other portion of the Bedford Community; without Declarant's review and consent, such supplement declaration or other declaration of covenants, conditions or restrictions shall be voidable in the sole discretion of Declarant.

Section 4. Utilities Reserved by Declarant.

- (a) Declarant reserves the right to subject the Property to a contract with public utility

provider(s) for the installation of overhead and/or underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to such public utility provider by the owner of each Lot. Declarant may devote any Lot or portion thereof, not already sold, for any construction and uses which it, in its discretion, deems necessary in order to provide the subdivision with utilities.

Until December 31, 2035, Declarant reserves, for itself and its employees, agents, successors and assigns, an easement upon and a right of ingress, egress and regress on, over and under the Properties for the purposes of constructing and maintaining such roadways, water, sewer, gas storm water drainage and retention, telephone, cable televisions and electric and other utility facilities to the extent required by any applicable governmental entity or deemed by the Declarant to be necessary or convenient for the development, use and enjoyment of the Properties and the Common Area and the conduct of construction, sales and marketing activities. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the soil, relocate utility facilities within said easement and take any other similar action that its deems reasonably necessary or appropriate. After such action has been completed, Declarant shall grade and seed the affected property and otherwise restore the affected property to its original condition to the extent practicable, but shall not be required to replace any trees, bushes or shrubbery necessarily removed. Declarant shall have reasonable notice of its intent to take such action to each Owner whose Lot is affected.

Section 5. Utility Easements. Easements for installation and maintenance for utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage, or which may obstruct or retard the flow of water.

Section 6. Easements for Governmental Access. An easement is hereby established over the Common Area and every Lot within the Properties for the benefit of applicable governmental agencies for installing, removing, and reading water meters, maintaining and replacing water and sewer facilities, transporting children to and from school, and acting for other purposes consistent with public safety and welfare, including, without limitation, law enforcement, fire protection, garbage collection and the delivery of mail.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON AREA

Section 1. Owners' Easement of Enjoyment in Common Area. Except as limited by the provisions of this Declaration, by the rules and regulations adopted by the Board of Directors of the Association, and any fees or charges established by the Board of Directors of the Association, every Owner shall have a right of easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title of every Lot.

Section 2. Delegation of Use.

- (a) Family. The right and easement of enjoyment and access granted to every Owner by Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principal residence.
- (b) Tenants; Contract Purchasers. The right and easement of enjoyment and access granted to every Owner by Section 1 of this Article may be delegated by such Owner to his tenants or contract

purchasers who occupy a residence within the Properties.

- (c) Guests. The right and easement of enjoyment and access granted to every Owner by Section 1 of this Article may be delegated to guests of such Owners, tenants or contract purchaser, subject to such rules and regulations as may be established by the Board of Directors.
- (d) Suspension of Rights. The rights of any delegate of an Owner shall be suspended by, upon and during suspension of such Owner's rights as provided in this Declaration. Additionally, the privilege granted to guests and tenants of Owners to use and enjoy the Common Areas, subject to the rules, regulations and fees, if any, established by the Association for such use, (other than ingress and egress) may be denied to or withdrawn from such guests or tenants by an affirmative vote of ninety percent (90%) of the votes cast at a meeting of the Association called for the purpose of voting on such denial or withdrawal.

Section 3. Access Easement. Appurtenant to each Lot is an easement over the private streets and roadways within the Properties for access, ingress and egress from and to public streets and an easement for pedestrian access, ingress and egress over sidewalks and walkways in the Common Area. Any such easement shall be upon such walkways, driveways or other ways as are designated by the Declarant and/or the Association and shall be subject to the terms of this Declaration.

Section 4. Title to Common Area. The Declarant covenants for itself, its successors or assigns, that it shall convey to the Association by limited warranty deed the "Common Properties" or "Common Area" prior to or at the end of the period of Declarant control. All said parcels of land may be conveyed to the Association subject to: (1) all restrictive covenants of record at that time, including but by no means limited to this Declaration; (2) all existing mortgages; (3) a reservation by the Declarant of the right to substitute or add new mortgages thereon; provided, however, that in no event shall the Association be obligated to assume the payment of principal or interest on any such mortgagee; (4) easements reserved by the Declarant herein for special declarant rights; and (5) the Stormwater Agreement affecting the Property.

Section 5. Extent of Owners' Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) the right of the Association, in accordance with its Bylaws, to borrow money from the Declarant or any other lender for the purpose of improving and/or maintaining the Common Area and providing services authorized herein and in aid thereof to mortgage said properties;
- (b) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;
- (c) the right of the Association to suspend the rights and easements of enjoyment of any Owner, or any tenant or guest of any Owner, for any period during which the payment of any assessment against any Lot owned by such Owner remains delinquent, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations, it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Owner's obligation to pay the assessment;
- (d) the right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated or constructed on the Common Area and to limit the use of such facilities to Owners who occupy a residence on the Properties and to their families, tenants and

guest, as provided in this Article;

- (e) the right of the Declarant or the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the Common Area; and
- (f) the right of the Association to give, dedicate, sell or exchange all or any part of the Common Area, including leasehold interests, to any public agency, authority, public service district, or private concern for such other purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfer and determination as to purposes and conditions shall be authorized by (i) the Declarant as long as it owns any portion of the Property and (ii) the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association, subject to the quorum requirements established herein and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every Member of the Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by an officer of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Area prior to the recording thereof. Nothing herein shall be deemed to prohibit the Board of Directors of the Association, without the consent of the Members, from granting easements over and across the Common Area to any public agency, authority or utility for the installation and maintenance of sewerage, utility (including cable television) or drainage facilities when, in the opinion of the Board, such easements are necessary for the convenient use and enjoyment of properties with the Bedford Community.
- (g) the right of Declarant to use Common Area for promotional, sales, and similar purposes during the Period of Declarant Control;
- (h) the right of the Association to open the Common Area and, in particular, any recreational facilities constructed thereon, for use by non-members of the Association;
- (i) the right of the Association to expand or add to the Common Area and to improve, maintain and operate the Common Area;
- (j) the right of the Association to adopt, promulgate and enforce rules and regulations concerning the use of the Common Area; and
- (k) the right of the Association to place any reasonable restrictions upon the use of the roadway in the Bedford Community, subject to an Owner's right of ingress and egress, including, but not limited to, the types and sizes of vehicles permitted to use said road, the maximum and minimum speeds of vehicles using said roads, any other necessary traffic and parking regulations and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of the State of North Carolina or the local government having jurisdiction over the Bedford Community shall not make such restriction unreasonable; and
- (l) the special Declarant rights reserved herein.

Section 6. Regulation and Maintenance of Common Area and Common Area Easements. It is the intent of the Declarant that the Common Area be preserved for the perpetual benefit of the Owners.

- (a) Regulation of Common Area. The Association may adopt and promulgate rules and regulations governing the use of the Common Area by Owners and their family, guests and invitees. No Owner or other permitted user shall use the Common Area or any portion thereof in violation of the rules and regulations contained in this Declaration or subsequently adopted by the Association.

Without limiting the generality of the foregoing, except as specifically provided herein, no Owner or tenant, guest or invitee of an Owner shall, without specific prior written consent of the Association: (1) damage or waste the Common Area or improvements thereon or remove any trees or vegetation therefrom; (ii) erect any gate, fence, structure or other improvement or thing on the Common Area; (iii) place any garbage receptacle, trash or debris on Common Area; (iv) fill or excavate any part of the Common Area; (v) landscape or plant vegetation on Common Area; or (vi) use the Common Area or any part thereof in a manner inconsistent with or in any way interfering with the rights of other Owners.

- (b) Rights and Responsibilities of the Lot Owners as to Common Area Easements. Each Owner of a Lot upon which a Common Area easement lies shall pay all property taxes and other assessments levied against his Lot, including that portion of such tax or assessment as is attributable to such Common Area easement.
- (c) Rights and Responsibilities of the Association as to the Common Area. The Association shall have the right and obligation to ensure that the Common Area is preserved for the perpetual benefit of the Owners, and, to that end, shall: (i) maintain the Common Area in its natural or improved state, as appropriate, and keep it free of impediments to its use by the Owners, subject to the provisions of this Declaration; (ii) procure and maintain adequate liability insurance covering the Association and its Members, Directors and officers, against any loss or damage suffered by any person, including the Owner of the Lot upon which Common Area lies, resulting from use of the Common Area, and adequate hazard insurance covering the real and personal property owned in fee by the Association; and (iii) pay all property taxes and other assessments levied against all Common Area owned in fee by the Association.
- (d) Declarant's and Association's Right of Entry. The Declarant and the Association and the employees, agents, contractors and subcontractors of each, shall have a non-exclusive right and easement at all times to enter upon any portion of a Lot reserved or designated as a Common Area easement for the purposes of: (i) installing and maintaining entrance signs, features, fencing and landscaping; and (ii) making such improvements to the Common Area; and (iii) maintaining the Common Area easement in its natural or improved state.

ARTICLE V ARCHITECTURAL CONTROL

Section 1. Architectural Approval. No residence or other building, and no fence, wall, utility yard, driveway, swimming pool or other structure or improvement, regardless of size or purposes, whether attached to or detached from the main residence, shall be commenced, placed, erected or allowed to remain on any Lot, nor shall any addition to or exterior change or alteration thereto be made, unless and until building plans and specifications covering the same, showing the nature, kind, shape, height, size, materials, floor plans, exterior color schemes with paint samples, location and orientation on the Lot and approximate square footage, construction schedule, on-site sewage and water facilities, and such other information as the Declarant or the ARC (as hereinafter defined) shall require, including, if so required, plans for the

grading and landscaping of the Lot showing any changes proposed to be made in the elevation of surface contours of the land, have been submitted to and approved in writing by the Declarant or by an Architectural Review Committee ("ARC") composed of three or more persons appointed by the Board of Directors of the Association and until a copy of all such plans and specifications, as finally approved by the Declarant have been lodged permanently with the Declarant or the ARC. The Declarant or ARC, as the case may be, shall have the absolute and exclusive right to determine which builders may construct houses on Lots, the style and appearance of the dwellings, including, but not limited to flag staffs, fences, walls, buildings outbuildings, garages, storage sheds, mailboxes, lawn decorations, structures of any type or color thereof, grading, landscaping, patio covers and trellises, plans for off-street parking of vehicles and utility layout, and any other improvements to be built or constructed on any Lot. The Declarant or ARC, as the case may be, shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and lot-grading and landscaping plans which are not suitable or desirable in its opinion for any reason, including purely aesthetic reasons connected with future development plans of the Declarant of said land or contiguous lands. In passing upon such building plans and specifications and lot-grading and landscaping plans, the Declarant or ARC may take into consideration the suitability and desirability of the proposed construction and of the materials of which the same are proposed to be built to the Lot upon which it proposes to erect the same, the quality of the proposed workmanship and materials, the harmony of external design with the surrounding neighborhood and existing structures therein, and the effect and appearance of such construction as viewed from neighboring properties. In the event the Declarant or ARC fails to approve or disapprove such building plans and specifications within thirty (30) days after the same have been submitted to it as required above, the approval of the Declarant or ARC shall be presumed and the provisions of this paragraph shall be deemed to have been complied with.

Section 2. Rules and Regulations. The ARC may from time to time recommend to the Board, and the Board may, in its sole discretion, adopt, promulgate, amend and repeal rules and regulations interpreting and implementing the provisions of this Article, including adoption of detailed architectural guidelines and the imposition of a fee or charge for review of proposed improvements or modification.

Section 3. Variances. The Board may, by the vote or written consent of a majority of the members thereof, allow reasonable variances as to the covenants, conditions or restrictions contained in this Declaration, on such terms and conditions as it shall require; provided, however, that all such variances shall be in keeping with the general plan for the improvement and development of the Property. Variances contained in plans that are inadvertently approved by the ARC as part of the proposed improvements shall not be considered as having been approved unless specifically approved by the Board in accordance with the provisions of this Section.

ARTICLE VI **USE RESTRICTIONS**

Section 1. Business Use Prohibited. All Lots shall be used for residential purposes only and shall not be used for any business or commercial purposes, provided, however, that Declarant reserves the right to use any Lot and any improvement thereon owned by Declarant as a model home with sales office. Declarant, builders, real estate brokers, Owners and their agents may show lots and homes for sale or lease. Group family homes are prohibited.

Section 2. Dwelling Size.

- (a) **The Midlands at Bedford:** No dwelling shall be erected or allowed to remain on any of the said Lots in The Midlands at Bedford which shall contain a heated-area living space of less than One Thousand Four Hundred [1,400] square feet.

(b) The Highlands at Bedford: No dwelling shall be erected or allowed to remain on any of the said Lots in The Highlands at Bedford which shall contain a heated-area living space of less than Two Thousand [2,000] square feet.

(c) Heated-area living space shall mean the ordinary living space in a house which is designed and constructed so as to be capable of being heated for regular living use in cold weather. In the computation of floor space, furnace room areas, garages, carports, and porches shall not be counted.

Section 3. Building Type. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling not to exceed three stories in height and a private garage for not more than three cars and other outbuilding incidental to the residential use of the Lot. Such outbuilding erected, altered, placed or permitted shall be of the same quality, workmanship and material as the principal dwelling structure and will be erected and placed to the rear of the dwelling structure on the Lot.

Section 4. Setbacks. All structures shall comply with the Hoke County ordinances with regard to all set-back requirements. When consistent with the zoning ordinances (or any variance granted), the building line set-back as provided for in this paragraph may be varied by as much as ten (10) percent with the express consent of Declarant, which said consent document need not be on record in the Office of the Register of Deeds, Cumberland County, North Carolina.

Section 5. Walls, Fences and Hedges. All walls, fences, and hedges shall be controlled strictly for compliance with this Declaration and architectural standards established by the Declarant or the ARC.

No wall, fence, or hedge shall be planted or erected closer to the street on which the house fronts than the rear corner of the house; provided, however, that for houses with screened porches, the fence may attach at either the front or back corner of the screened porch.

For corner Lots, no wall, fence, or hedge shall be planted or erected closer to the side street than ten (10) feet from the corner of the house.

On interior Lots or on the interior side of a corner Lot, walls and fences must extend to the side boundary line. No double-fencing between Lots is permitted; each Owner shall have the right and easement to extend his fence to the fence erected on the adjacent Lot.

No fence made of concrete block, chain link, wire, or what is commonly known as "chicken wire" shall be permitted anywhere on the Lot. No wall, fence, or hedge shall exceed six [6'] feet in height. The design and materials of all fences shall be approved by the Declarant or the ARC prior to any construction pursuant to the approval requirements of Article V of this Declaration.

Section 6. Accessory Structures. No trailer, tent, shack, garage, car port, metal awnings, metal utility sheds, barn or other building shall be placed, erected or allowed to remain on said property without the written consent of Declarant or the ARC. No structure of a temporary character shall be used as a residence temporarily, permanently or otherwise.

Section 7. Maintenance of Improvements. Each Owner shall maintain all improvements constructed upon such Owner's Lot to the standards of their original construction. Each Owner shall maintain in good condition and repair all improvements constructed upon such Owner's Lot, including, without limitation, the dwelling. Such maintenance obligations include keeping the exterior of all such improvements free of mold and mildew. No Owner shall change the exterior design or color of the dwelling on such Owner's

Lot, including the roof thereof, except in compliance with Article V hereof.

Section 8. Storage; Clothes Hanging. No Lot or Common Area shall be used for the storage of rubbish. No trash of any kind, whether household or yard debris, shall be placed or allowed to remain on any Lot, except in proper containers. Containers should only be placed by the street on the evening before the day trash is scheduled to be picked up. Each owner shall promptly remove the trash container from the street, in no case later than the evening of the day the trash was removed. Outside clothes hanging devices are not permitted.

Section 9. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot or the Common Area nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood.

Section 10. Lawns. Each Lot shall be maintained in a neat condition by the Owner thereof. In this context, the word "Lot" shall include that portion of the property from the outside of the structure on the applicable Lot to the adjacent paved road surface. All Lots upon which a dwelling has been constructed ("Improved Lots") must have grass lawns. No gravel or similar type lawns are permitted. For Improved Lots, "neat" shall require, at a minimum, that the front yard of each Lot, and in the case of corner lots, the side of each Lot along the side abutting roadways, be sodded, be regularly cut and fertilized, and that mulched or pinestrawed areas be regularly re-mulched or re-pinestrawed and kept weeded so that its appearance is in harmony with the neighborhood. No Owner shall allow the grass on an Improved Lot to grow to a height in excess of six (6) inches, measured from the surface of the ground. For unimproved Lots, "neat" shall require that the Lot is maintained in a slightly condition, free of debris, rubbish, weeds and high grass and in a prudent and reasonable manner harmonious with that of the other Lots within the subdivision.

Section 11. Failure to Maintain. If an Owner fails to maintain the Lot or the improvements thereof, the Association, after giving such Owner at least ten (10) days' written notice, shall be authorized to undertake such maintenance at the Owner's expense. By accepting title to his Lot, each Owner shall be deemed to grant access upon the Owner's Lot and dwelling for such purpose and such entry shall not constitute a trespass. If such maintenance is undertaken by the Association or Declarant, the charge therefor and all costs of enforcement and collection shall be secured by a lien against the Lot as provided in this Declaration.

Section 12. Animals. The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Lot, except the keeping of not more than two (2) orderly domestic pets (dogs or cats) shall be permitted; provided, however, that such pets are not kept or maintained for commercial purposes for breeding, and provided, further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property. All pets shall be registered and inoculated as required by law. No dangerous dogs, including but not limited to, Pit Bulls, Rottweilers, Dobermans, Akitas, and Chows, shall be permitted on any Lot, unless the Lot Owner installs a six (6) foot privacy fence that complies with Section 5 above, and in addition installs a six (6) foot chain link fence at least ten (10) feet inside the perimeter of the privacy fence. The above-listed breeds of dog may not be exercised in the neighborhood, even if the dog is on a leash. Any of the above-listed breeds of dogs may be removed at the sole discretion of the Declarant and/or the Association. All owners of the above-listed breeds must provide the Association with a current copy of liability insurance in the minimum amount of \$1,000,000.00

Any dog house or dog containment structure or system must comply with the provisions of Section 5 above, be located to the rear of the principal dwelling structure, and must be located within twenty (20) feet of the rear of the main dwelling structure.

Section 13. Vehicles, Boats, Trailers. No automobile or other mechanical repairs shall be conducted within a Lot other than in a garage and concealed from public view. No mechanically defective automobile, motor vehicle, mechanical machine, or machinery, shall be placed or allowed to remain on a Lot at any time except in a closed garage. No truck or vehicle used primarily for commercial purposes, including but not limited to those with eighteen wheels, shall be permitted to be parked on the Properties except in the course of delivery, pick up, or discharge of a specific commercial duty. No vehicle in inoperable condition, no unlicensed vehicle, no recreational vehicle, no camper, no golf cart, no boat, no jet ski or other watercraft and no trailer may be parked on any street or on any Lot, unless kept inside a garage or behind an approved fence or otherwise concealed from public view. No parked vehicle shall be covered by a "car cover" or other similar covering unless kept inside a garage and concealed from public view. No truck or vehicle used primarily for commercial purposes (other than those temporarily present on business), no vehicle in inoperable condition, no unlicensed vehicle, no recreational vehicle, no camper, no golf cart, no boat, jet ski or other watercraft, and no trailer may be kept within the Common Area. For the purpose of the preceding sentences, the term "kept" shall mean present for either a period of more than ten (10) hours or overnight, whichever is less. In order to preserve the aesthetics of development, whether or not a boat, trailer, or vehicle of any type is adequately concealed from public view shall be determined by the Association in its sole discretion. The Association shall have the right to tow or remove any boat, trailer, recreation vehicle, camper, jet ski, watercraft, golf cart or vehicle of any type which is parked within the Common Area or kept on any Lot in violation of this section, at the Owner's expense, and the Owner of each Lot, by acceptance of their deed, does grant to the Association such an easement, on, across, and upon their Lot as may be necessary to enforce the provisions set out in this section.

Section 14. Mailboxes. Intentionally deleted

Section 15. Signs. No sign of any character shall be displayed or placed upon any Lot except "For Sale" or "For Rent" signs, which signs may refer only to the particular premises on which displayed, shall not exceed two (2) square feet in size, shall not extend more than four (4) feet above the surface of the ground, shall be fastened only to a stake in the ground, and shall be limited to one (1) sign to a Lot. The Declarant may enter upon any Lot and summarily remove and destroy any signs which do not meet the provisions of this section. The Association may develop uniform sign standards and specifications to which all Owners must adhere. No sign of any kind shall be displayed in or on the Common Area without the prior written consent of the Association. Notwithstanding the foregoing, Declarant, and with the consent of and upon such conditions as Declarant, in its sole discretion, might impose, a builder or builders shall have the right to erect and maintain signs of any type and size on any Lot which it owns and on the Common Area, in connection with the development and sale of the Properties.

Section 16. Antennae and Roof Structures. No radio or other electrical towers, aerials, antennae, dishes or other devices of any type for the reception or transmission of radio broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon. The Association shall be empowered to adopt rules governing the types of antennae that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae. An antenna permissible pursuant to rules adopted by the Association may be installed only if it is approved by the Association pursuant to Article V hereof.

Section 17. Basketball Goals. No basketball goals of any nature, whether stationary or portable, regulation size or otherwise, shall be allowed in the street or public right of way. Only portable basketball goals shall be allowed in side or front yards or driveways provided they are properly maintained in good repair and conditions. Permanently installed goals must be placed in the back yard. Unsightly basketball goals located in front and side yards are subject to removal by the Association.

Section 17. Above-Ground Pools. There shall be no above-ground swimming pools on any Lot. In-ground pools are permitted and must be surrounded by at least a four (4) foot fence.

Section 18. Visual Obstructions at Intersections of Streets. No object or thing which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways within the triangular area formed by the junction of street curb lines and a line connecting them at points twenty-five (25) feet from the junction of the street curb lines (or extension thereof) shall be placed, planted or permitted to remain on any corner Lots.

Section 19. Water Retention Areas. The Association shall be responsible for maintaining the portions of the storm water drainage system which are within the Common Area, including the water quality and quantity standards of the approved plans, to the extent required by law. A drainage easement is hereby dedicated to the Association for the purpose of maintaining the storm water system to meet water quality and quantity design standards of the approved plans and any future governmental laws, rules or regulations.

Each Owner of a Lot which borders a water retention area shall maintain any portion of that Owner's Lot lying with a retention area free of debris but shall not remove any wetlands species or do anything that would affect adversely water quality within the water retention area.

Swimming and bathing in water retention areas are prohibited. Docks or other structures shall not be erected in water retention areas without the prior written consent of the Association. All other uses of water retention areas shall be subject to the prior written approval of the Association and such rules and regulations as the Association may adopt from time to time.

Section 20. Garages. Garage doors shall remain closed at all times except when necessary for ingress and egress.

Section 21. Seasonal or Holiday Decorations. Holiday decorations (e.g., Christmas trees and lights, pumpkins, Easter decorations) shall be removed from each Lot or residential dwelling within a reasonable period of time after such holiday passes. The Association has the sole discretion to determine what a reasonable period of time is for seasonal or holiday decoration to exist after the holiday or season passes and its determination shall be final.

Section 22. Service Utilities, Fuel Tanks, Wood Piles, Trash. All service utilities, fuel tanks, wood piles and trash and garbage containers are to be enclosed within a fence, wall or plant screen of a type and size approved by the Declarant or the ARC, so as to preclude the same from causing an unsightly view from any highway, street or way within the subdivision or from any other residence within the subdivision.

Section 23. Noise. Each Lot Owner covenants and agrees that he will control the noise level emanating from any activities on the lot at a reasonable level. The Lot Owner shall not allow the noise level to become a nuisance or to otherwise interfere with adjoining Owners' reasonable use of their lots.

Section 24. Diligent Construction. Unless otherwise agreed by Declarant, or the ARC, all construction, landscaping or other work which has been commenced on any Lot must be continued with reasonable diligence to completion. No partially completed building or other improvement shall be allowed to exist on any Lot, except during such reasonable period as is necessary for the completion of same.

Section 25. Casualty; Obligation to Re-construct or Raze. If any structure is significantly damaged or destroyed by fire or other casualty, then the Owner thereof shall promptly repair or rebuild said structure

or shall promptly raze the damaged improvements and clear all debris from the Lot. If this Section is not complied with, then the Declarant (until the expiration of the Period of Declarant Control) and/or the Association shall have the right to raze the damaged improvements and clear all debris from the Lot and levy a special assessment to any such Owner for the cost thereof, which shall be a lien upon the Lot until paid in full.

ARTICLE VII
STORMWATER RESPONSIBILITIES AND COVENANTS

Section 1. Covenants. The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW6140202, as issued by the Division of Water Quality under the Stormwater Management Regulations. The State of North Carolina is made a beneficiary of the covenants in this Article VII to the extent necessary to maintain compliance with the stormwater management permit. These covenants are to run with the land and be binding on all persons and parties claiming under them. The covenants pertaining to stormwater in this Article VII may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality. Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division of Water Quality. The maximum built-upon area per Lot is as listed below:

<u>Lot #</u>	<u>BUA</u>
All Lots	4,130 sf

This allotted amount includes any built-upon area constructed within the Lot property boundaries and that portion of the right of way between the front Lot line and the edge of the pavement. Built-upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina, and parking areas, but does not include raised, open wood decking or the water surface of swimming pools. Each Lot will maintain a 30 foot (30') wide vegetated buffer between all impervious areas and surface waters. All runoff from the built-upon areas on the Lot must drain into the permitted system. This may be accomplished through a variety of means, including roof drain gutters, which drain to the street, grading the Lot to drain toward the street, or grading perimeter swales to collect the Lot runoff and directing them into a component of the stormwater collection system. Lots that will naturally drain into the system are not required to provide these measures.

Section 2. Operation and Maintenance Agreement. The Stormwater Agreement for the residential portion of the Bedford Community is attached hereto as Exhibit A and incorporated herein by this reference.

ARTICLE VIII
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every Owner, upon acquiring title to a Lot subject to assessment by the Association, shall be a member of the Association and shall remain a member until such time as his ownership of such Lot ceases for any reason, at which time his membership in the Association shall cease. Each Member shall pay the Assessments provided for in Article VIII when due and shall comply with the Association's decisions. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Classes of Membership. The Association shall have two (2) classes of voting membership:

- (a) **Class A Members.** Every person, group of persons, or entity which is a record Owner of a fee

interest in any Lot shall automatically be a Class A Member of the Association, except the Declarant during the Period of Declarant Control; provided, however, that any such person group of persons, or entity who or which hold such interest solely as security for the performance of an obligation shall not be a Member. Each Class A Member shall have one (1) vote with respect to each Lot owned by such Member, except as set forth in Section 3 below. In the event that more than one person, group of persons, or entity is the record Owner of a fee interest in any Lot, then the vote for the membership appurtenant to 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. In the event agreement is not reached, the vote attributable to such Lot shall not be cast.

- (b) Class B. Members. The Class B Member during the Period of Declarant Control shall be the Declarant. Declarant shall be entitled to nine (9) votes for each Lot is owns during the Period of Declarant Control. The Class B Membership shall cease and be converted to Class A membership upon the expiration of the Period of Declarant Control.

Section 3. Declarant's Voting Rights. Until the expiration of the Period of Declarant Control, Declarant shall be vested with the sole voting right of the Association on all matters, including, without limitation, election and removal of directors and officers of the Association.

Section 4. Composition of Board. The Association shall be governed by a Board of Directors as provided for in the By-Laws of the Association. The Declarant shall have the right to appoint and remove all persons on the Board and to appoint and remove all officers of the Association during the Period of Declarant Control.

Section 5. Cumulative Voting Prohibited. Each Owner shall be entitled to as many votes as equals the number of votes he is ordinarily entitled to multiplied by the number of Directors to be elected, but may not cast all of such votes for any one (1) Director and must distribute them among the number to be voted for, and all votes must be cast in whole numbers and not fractions thereof. It is the intent of this Section to prohibit cumulative voting.

Section 6. Voting Rights Suspension. The right of any Class A Member to vote may be suspended by the Board of Directors of the Association for any period during which any assessment against that Class A Member remains unpaid or for any violation of the published rules and regulations of the Master Association.

ARTICLE IX COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a 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 to the Association: (1) annual assessments or charges which are Common Expenses; (2) special assessments for extraordinary maintenance, capital improvements, or other extraordinary common charges or expenses; (3) special assessments for purchase, construction or reconstruction of improvements; and (4) to the appropriate governmental taxing authority, a pro rata share of assessments for public improvement to the Common Area if the Association shall default in payment thereof. All assessments, together with interest and late charges set forth in the Article and all costs and reasonable attorney's fees for collection, shall be a charge and continuing lien upon the Lot against which each such assessment is made. Each such assessment or charge, together with interest, fees, costs and reasonable attorney's fees,

shall also be the personal or corporate obligation of the person(s), firm(s) or corporation(s) owning such Lot at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them; however, the unpaid assessments and charges shall continue to be a lien upon the Lot against which the assessment or charge was made.

The Association shall also have the authority, through the Board of Directors, to establish, fix and levy a special assessment on any Lot to secure the liability of the Owner thereof to the Association arising from breach by such Owner of any of the provisions of this Declaration which breach shall require the expenditure of time and money or both, by the Association for repair or remedy.

Each Owner covenants, for himself, his heirs, successors and assigns, to pay each assessment levied by the Association on the Lot described in such conveyance to him within ten (10) days of the due date as established by the Board, and further covenants that if said assessment shall not be paid within thirty (30) days of the due date, the payment of such assessment shall be in default and the amount thereof become a lien upon said Owner's Lot as provided herein and shall continue to be such lien until fully paid.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the subdivision; and, in particular, but not limited to, for the acquisition, improvement and maintenance of services, amenities and facilities, and 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, the payment of taxes and public assessments assessed against the Common Area, the procurement and maintenance of insurance in accordance with this Declaration, the employment of counsel, accountants, managers, engineers, security personnel, and other professionals for the Association when necessary, the payment for maintenance and operation, under the Stormwater Agreement and for street lights; the payment of any assessments due pursuant to the Master Declaration; and such other needs as may arise.

Section 3. Regular Assessments; Initial Contribution to Working Capital; Fine Assessments. Until December 31, 2015, the initial regular assessment shall be \$400.00 annually based on the calendar year; such annual assessment for each Lot shall commence at the time of the first conveyance of an improved Lot (the "First Sale"), prorated on a calendar year basis. In addition, each Lot shall be assessed a one time or initial contribution to working capital fee of \$75.00 at the time of the closing of the First Sale. This one-time fee shall not be considered an advance of the regular or annual assessment.

Beginning January 1, 2016 and during the Period of Declarant Control, the Board of Directors shall adopt an annual budget and fix the annual assessment. After the Period of Declarant Control expires, the Board of Directors shall adopt a proposed budget at least annually. Within 30 days after adoption of the proposed budget, the Board of Directors shall send a copy of the proposed budget and shall give written notice to the Members of a meeting of the Members to consider ratification of the budget, such meeting to be held not sooner than 10 days nor more than 60 days after the mailing of such notice. Such meeting may, but need not be, combined with the annual meeting of the Members. There shall be no requirement that a quorum be present in order to vote on ratification of the budget. The budget shall be deemed ratified unless at that meeting Members having a majority of the votes of the entire membership vote to reject the budget. Notwithstanding the foregoing, if the budget provides for annual assessments not greater than 10% larger than the assessment in effect for the immediately preceding year, such budget shall be deemed ratified unless Members having at least 80% of the votes of the entire membership vote to reject the budget. If the proposed budget is rejected, the budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board.

Any annual assessment ratified by the Members shall continue thereafter from year to year as the annual

assessment until changed by the Board and ratified by Members as set forth herein.

In addition, the Board of Directors, or any adjudicatory panel established by the Board, may levy a reasonable Fine Assessment as a fine or penalty for violation of this Declaration. In addition, the Board may enact additional fees for late payments, fees for providing written assessment certificates setting forth all current and delinquent assessment charges, and fees to transfer ownership of a Lot upon the Association's records.

Section 4. Special Assessments for Capital Improvements. In addition to the regular and fee assessments authorized above, the Board may levy, in any assessment, year, a special assessment for the purpose of defraying, in whole or in part the cost of any construction, reconstruction, restoration, repair or replacement of a capital improvement upon the Common Area, any extraordinary maintenance or other expense, including fixtures and personal property related thereto and any property for which the Association is responsible provided that any such assessment shall have the assent of Members as provided in Section 3 above.

Section 5. Replacement Reserve. Out of the Common Expenses assessment, the Board may create and maintain a reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Area which the Association may be obligated to maintain.

Section 6. Individual Assessment. In the event that the need for maintenance, repair or replacement of any improvement on the Property, for which the Association has the maintenance, repair and/or replacement obligation, is caused through the willful or negligent act of an Owner, his family, his pet(s), his tenant or his guest, the cost of such maintenance, repairs or replacements shall be paid by such Owner. The Board shall have the maintenance, repair, or replacement done, and the cost thereof shall be provided by the Board to said Owner and shall be paid by said Owner within thirty (30) days thereafter, unless an earlier date is otherwise set forth therein.

Section 7. Date of Commencement of Annual Assessments; Due Dates. Annual assessments shall not commence until the First Sale as set forth in Section 3(b) above. 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.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall be delinquent, in default and shall incur such late charge as the Board of Directors may from time to time establish, and if not paid within thirty (30) days after the due date, shall also bear interest from the due date at the rate of eighteen percent (18%) per annum or at such other reasonable rate set by the Association in its minutes, not to exceed the highest rate then permitted by North Carolina law. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same plus interest, costs, late payment charges and reasonable attorneys' fees, and/or foreclose the lien against the Lot for which such assessment is due. Interest, late payment charges, reasonable attorneys' fees and the costs of such action or foreclosure shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

The lien herein granted unto the Association shall be enforceable pursuant to Chapter 47F of the Planned Community Act of North Carolina ("PCA") from and after the time of recording a Claim of Lien in the Office of the Clerk of Superior Court in the County in which the Lot is located in the manner provided therefore by the PCA, which claim shall state the description of the Lot encumbered thereby, the name of the record owner, the amount due and date when due. The claim of lien shall be recordable any time after thirty (30) days after the due date of the assessment or any installment thereof and the lien shall continue in effect until all sums secured by said lien as herein provided shall have been fully paid. Such claims of

lien shall include all assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed by an officer or agent of the Association. In any foreclosure action, the Association shall be entitled to become a purchaser at the foreclosure sale. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any institutional first mortgage on said Lot. Sale or transfer of any Lot shall not affect the assessment lien; however, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer, but shall not abate the personal obligation of the prior owner. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. Any property dedicated to, and accepted by, a public authority and any property owned by the Association shall be exempt from the assessments created herein. Notwithstanding the foregoing, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Miscellaneous.

- (a) An Owner has the sole responsibility of keeping the Association informed of the Owner's current address if different from the Lot owned. Otherwise, notice sent by the Association to the Lot is sufficient for any notice requirement under this Declaration.
- (b) The lien under this Article arises automatically and no notice of lien need be recorded to make the lien effective.
- (c) Any assessment otherwise payable in installments shall become immediately due and payable in full without notice upon default in the payment of any installment. The acceleration shall be at the discretion of the Board.
- (d) The Association shall have the right in its discretion to contract with a professional property management agency for the purposes of managing its affairs on behalf of the subdivision.

ARTICLE X
RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION

Section 1. Responsibilities. The Association shall be responsible for the following services:

- (a) Exclusive management, control, and maintenance of the Common Area and shall keep the Common Area in good, clean and proper condition, order and repair, whether or not title to such Common Area has been formally conveyed to the Association; including, without limitation, streets and roadways, landscaping, recreation area, storm water structural controls and BMPs under the Stormwater Agreement, wet detention basins and other facilities located on the Common Area;
- (b) Payment of all costs, charges and expenses incurred in connection with the operation, administration and management of the Common Area and the performance of the services necessary or desirable in the judgment of the Board of Directors of the Association to carry out the Association's obligations and business under the terms of this Declaration;

- (c) Taking any and all actions necessary to enforce all covenants and restrictions affecting the Property, and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Property, including but not limited to fining Owners for violating same or for not properly maintaining their Lot;
- (d) Constructing improvements on Common Area for use for any of the purposes or as may be required to provide the services as authorized in this Article;
- (e) Provision of administrative services including but not limited to insurance, legal, accounting and financial, and communication services informing Owners of activities, notice of meetings, referendums, etc., incident to the above-listed services, and payment of taxes and other expenses; and
- (f) Any other services necessary to perform its obligations hereunder.

The powers of the Association shall be construed liberally and shall include, without limitation, all of the powers set forth in Section 47F-3-102 of the Planned Community Act.

In the event the Association is unable or unwilling to perform any of the services listed above in a manner satisfactory to the Declarant, the Declarant shall be and hereby is authorized to perform such services, at the Association's expense, as long as such expenses are reasonable and necessary to carry out the Declarant's obligations under this Declaration; provided, however, that the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement actions. Any such determination shall not be construed as a waiver of the right to enforce such provisions under other circumstances or to estop the Association from enforcing any other covenant, restriction or rule.

Section 2. Manager. The Association may employ and pay for the services of a person or entity, including the Declarant (the "Manager") to assist the Association in managing its affairs and carrying out its responsibilities hereunder and such other persons or entities, including attorneys and accountants, as the Association deems necessary or advisable, whether such persons or entities are engaged, furnished or employed by the Manager or directly by the Association. The Association may enter into a Management Agreement for such management services upon such terms as the Board of Directors may deem appropriate. The payment of management fees due to the Declarant may, at Declarant's option, be deferred until such later date as Declarant, in its sole discretion, deems appropriate. Furthermore, any management fees due to Declarant may, at Declarant's option, be credited against any assessments due or to be coming due from Declarant.

Section 3. Mortgage and Pledge. The Board of Directors of the Association shall have the power and authority, to borrow money for use by the Association and to mortgage the property of the Association and to pledge the revenues of the Association as security for such loans made to the Association which loans shall be used by the Association in performing its authorized functions. The Declarant may, but shall not be obligated to, make loans to the Association, subject to approval by the Declarant of the use to which such loan proceeds will be put and the method by which such loans will be repaid and subject to a maximum of loan amount approved by the Declarant, at interest rates acceptable to the Declarant. Notwithstanding anything in this Declaration to the contrary, the Association shall not be allowed to reduce the limits of the minimum regular annual assessment at any time there is outstanding any amounts due the Declarant as repayment of any loans made by the Declarant to the Association.

ARTICLE XI

DURATION AND AMENDMENT

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Upon the expiration of said twenty-five-year period this Declaration shall be automatically renewed and extended for successive ten-year periods unless terminated or amended by a vote of the Owners. During the Period of Declarant Control, this Declaration may be amended by the Declarant, without the consent or joinder of any other Owner or the Association. Any such amendment shall be effective upon recording of same in the applicable public registry for Hoke County, North Carolina. Otherwise, this Declaration may be amended as set forth in N.C.G.S. §47F-2-117 except that neither the Association nor the Owners may amend this Article IX to diminish or remove Declarant's powers hereunder.

ARTICLE XI ENFORCEMENT, SEVERABILITY AND INTERPRETATION

Section 1. Means of Enforcement. Enforcement of these Covenants shall be by any proceeding at law or in equity, whether it be to restrain violation or to recover damages or to create any lien created by these Covenants.

Section 2. Severability. Should any covenant or restriction herein contained, or any Article, Section, paragraph, sentence, clause, phrase or term in this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no wise affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 3. Interpretation. In all cases, the provisions of this Declaration shall be given that interpretation of construction which will best result in the consummation of the general plan of development of the Property. The provisions of these Covenants shall be given full force and effect notwithstanding the existence of any zoning or similar ordinance which allows a less restricted use of the Property.

Section 4. Authorized Action. All action which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-Laws of the Association, unless the terms of this instrument provide otherwise.

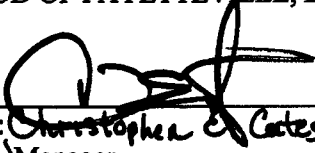
Section 5. Trespass. Whenever the Association, and/or the Declarant are permitted by these Covenants to correct, repair, clean, preserve, clear out or do any action on any property or on the easement areas adjacent thereto, entering the property and taking such action shall not be deemed a trespass.

Section 6. Conflict. In the event of any conflict between the provisions of this Declaration and any applicable provisions of the Hoke County Code of Ordinances, the provisions of the Hoke County Code of Ordinances shall control.

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

[SIGNATURES CONTINUED ON NEXT PAGE]

BREEZEWOOD OF FAYETTEVILLE, LLC

By: 
Name: Christopher E. Cates
Title: Manager
~~Member~~

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

I certify that the following person(s) personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Name of Principal: Christopher E. Cates

Date: 5/20/2015 Kyrie N. Rinehart
Notary Public

Kyrie N. Rinehart
Printed or Typed Name of Notary Public

My commission expires: 9/14/2017



PELICAN PROPERTY HOLDINGS, LLC

By: [Signature]
Name: Sharlene R. Williams
Title: Manager

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

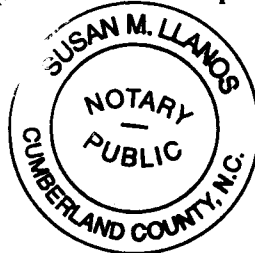
I certify that the following person(s) personally appeared before me this day and acknowledged to me that ~~he or~~ she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Name of Principal: Sharlene R. Williams

Date: June 3, 2015 [Signature]
Notary Public

Susan M. Llanos
Printed or Typed Name of Notary Public

My commission expires: August 21, 2015

(Affix notarial stamp or seal).



GREAT OAKS PROPERTY HOLDINGS, LLC

By: David B. Frazelle
Name: David B Frazelle
Title: Manager

STATE OF NORTH CAROLINA

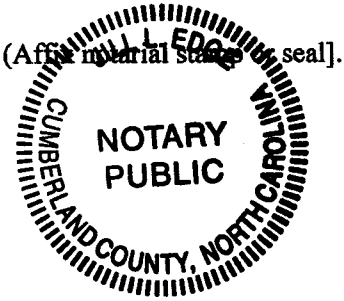
COUNTY OF CUMBERLAND

I certify that the following person(s) personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Name of Principal: David B Frazelle

Date: June 1, 2015 Jill L Edge
Notary Public

Jill L Edge
Printed or Typed Name of Notary Public

My commission expires: 6-30-16



Permit Number: SW6140202
(to be provided by DWQ)

Drainage Area Number: _____

Wet Detention Basin Operation and Maintenance Agreement

I will keep a maintenance record on this BMP. This maintenance record will be kept in a log in a known set location. Any deficient BMP elements noted in the inspection will be corrected, repaired or replaced immediately. These deficiencies can affect the integrity of structures, safety of the public, and the removal efficiency of the BMP.

The wet detention basin system is defined as the wet detention basin, pretreatment including forebays and the vegetated filter if one is provided.

This system (check one):

☐ does ☒ does not incorporate a vegetated filter at the outlet.

This system (check one):

☐ does ☒ does not incorporate pretreatment other than a forebay.

Important maintenance procedures:

- Immediately after the wet detention basin is established, the plants on the vegetated shelf and perimeter of the basin should be watered twice weekly if needed, until the plants become established (commonly six weeks).
- No portion of the wet detention pond should be fertilized after the first initial fertilization that is required to establish the plants on the vegetated shelf.
- Stable groundcover should be maintained in the drainage area to reduce the sediment load to the wet detention basin.
- If the basin must be drained for an emergency or to perform maintenance, the flushing of sediment through the emergency drain should be minimized to the maximum extent practical.
- Once a year, a dam safety expert should inspect the embankment.

After the wet detention pond is established, it should be inspected **once a month and within 24 hours after every storm event greater than 1.0 inches (or 1.5 inches if in a Coastal County)**. Records of operation and maintenance should be kept in a known set location and must be available upon request.

Inspection activities shall be performed as follows. Any problems that are found shall be repaired immediately.

BMP element:	Potential problem:	How I will remediate the problem:
The entire BMP	Trash/debris is present.	Remove the trash/debris.
The perimeter of the wet detention basin	Areas of bare soil and/or erosive gullies have formed.	Regrade the soil if necessary to remove the gully, and then plant a ground cover and water until it is established. Provide lime and a one-time fertilizer application.
	Vegetation is too short or too long.	Maintain vegetation at a height of approximately six inches.

Permit Number: _____
(to be provided by DWQ)

Drainage Area Number: _____

BMP element:	Potential problem:	How I will remediate the problem:
The inlet device: pipe or swale	The pipe is clogged.	Unclog the pipe. Dispose of the sediment off-site.
	The pipe is cracked or otherwise damaged.	Replace the pipe.
	Erosion is occurring in the swale.	Regrade the swale if necessary to smooth it over and provide erosion control devices such as reinforced turf matting or riprap to avoid future problems with erosion.
The forebay	Sediment has accumulated to a depth greater than the original design depth for sediment storage.	Search for the source of the sediment and remedy the problem if possible. Remove the sediment and dispose of it in a location where it will not cause impacts to streams or the BMP.
	Erosion has occurred.	Provide additional erosion protection such as reinforced turf matting or riprap if needed to prevent future erosion problems.
	Weeds are present.	Remove the weeds, preferably by hand. If pesticide is used, wipe it on the plants rather than spraying.
The vegetated shelf	Best professional practices show that pruning is needed to maintain optimal plant health.	Prune according to best professional practices
	Plants are dead, diseased or dying.	Determine the source of the problem: soils, hydrology, disease, etc. Remedy the problem and replace plants. Provide a one-time fertilizer application to establish the ground cover if a soil test indicates it is necessary.
	Weeds are present.	Remove the weeds, preferably by hand. If pesticide is used, wipe it on the plants rather than spraying.
The main treatment area	Sediment has accumulated to a depth greater than the original design sediment storage depth.	Search for the source of the sediment and remedy the problem if possible. Remove the sediment and dispose of it in a location where it will not cause impacts to streams or the BMP.
	Algal growth covers over 50% of the area.	Consult a professional to remove and control the algal growth.
	Cattails, phragmites or other invasive plants cover 50% of the basin surface.	Remove the plants by wiping them with pesticide (do not spray).

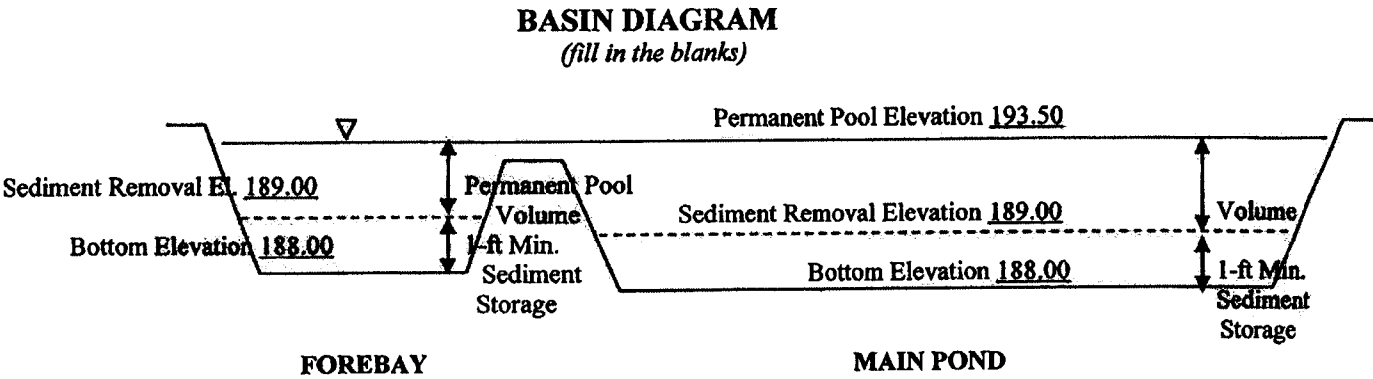
Permit Number: _____
(to be provided by DWQ)
Drainage Area Number: _____

BMP element:	Potential problem:	How I will remediate the problem:
The embankment	Shrubs have started to grow on the embankment.	Remove shrubs immediately.
	Evidence of muskrat or beaver activity is present.	Use traps to remove muskrats and consult a professional to remove beavers.
	A tree has started to grow on the embankment.	Consult a dam safety specialist to remove the tree.
	An annual inspection by an appropriate professional shows that the embankment needs repair. (if applicable)	Make all needed repairs.
The outlet device	Clogging has occurred.	Clean out the outlet device. Dispose of the sediment off-site.
	The outlet device is damaged	Repair or replace the outlet device.
The receiving water	Erosion or other signs of damage have occurred at the outlet.	Contact the local NC Division of Water Quality Regional Office, or the 401 Oversight Unit at 919-733-1786.

The measuring device used to determine the sediment elevation shall be such that it will give an accurate depth reading and not readily penetrate into accumulated sediments.

When the permanent pool depth reads 189.00 feet in the main pond, the sediment shall be removed.

When the permanent pool depth reads 189.00 feet in the forebay, the sediment shall be removed.



Permit Number: _____
(to be provided by DWQ)

I acknowledge and agree by my signature below that I am responsible for the performance of the maintenance procedures listed above. I agree to notify DWQ of any problems with the system or prior to any changes to the system or responsible party.

Project name: Bedford Subdivision - Section One

BMP drainage area number: STORMWATER POND 1

Print name: Watson G. Caviness

Title: Agent

Address: 639 Executive Place, Suite 400, Fayetteville, NC 28305

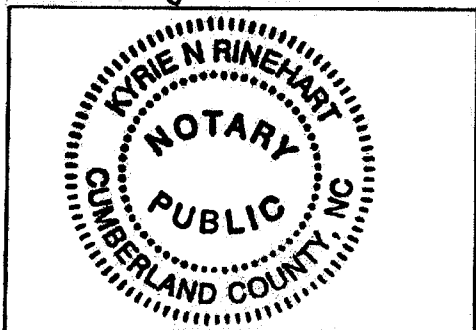
Phone: 910-481-0503

Signature: _____

Date: 12/17/2013

Note: The legally responsible party should not be a homeowners association unless more than 50% of the lots have been sold and a resident of the subdivision has been named the president.

I, Kyrie N. Rinehart, a Notary Public for the State of North Carolina, County of Cumberland, do hereby certify that Watson G. Caviness personally appeared before me this 17 day of December, 2013, and acknowledge the due execution of the forgoing wet detention basin maintenance requirements. Witness my hand and official seal, Kyrie N. Rinehart



SEAL

My commission expires September 16, 2017