



RET Sam McGee
TOTAL 59 REV TC# 17
16 REC# CK AMT 59 CK# 1757
CASH REF BY tw

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
for
WESCOTT FARMS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF WESCOTT FARMS (hereinafter referred to as "Declaration") is made on the date hereinafter set forth by Wescott, LLC, a North Carolina limited liability company (hereinafter referred to as "Declarant"):

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located in Brunswick County, North Carolina, known as WESCOTT FARMS, which is more particularly described by on those plats recorded in Map Book 35 at Pages 408-409 in the Office of the Register of Deeds for Brunswick County to which reference is hereby made for more complete descriptions; and

WHEREAS, Declarant has deemed it advisable to establish a general plan of development as herein set out to restrict the use and occupancy of the Property made subject to this Declaration for the benefit of the present and the future owners thereof; and

WHEREAS, Declarant desires to provide for the preservation of the values of WESCOTT FARMS as expanded hereby and hereinafter made subject to this Declaration and for the preservation and maintenance of the Common Property established by the Declaration and by the supplements hereto.

NOW, THEREFORE, Declarant declares that all of the property described on said recorded plats and all of the property hereinafter made subject to this Declaration by recorded supplements hereto referencing subsequently recorded plats, shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.



ARTICLE I

PROPERTY SUBJECT TO THESE RESTRICTIONS AND THE DECLARATION AND ADDITIONS THERETO

1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to these Restrictions and the Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in Brunswick County, North Carolina, and is shown on maps recorded in Map Book 35, Pages 408-409 in the Office of the Register of Deeds for Brunswick County.

2. Additions to Existing Property. Additional property may be brought within the scheme of this Declaration and the jurisdiction of the Association as follows:

(a) Declarant reserves the right to subject to this Declaration other certain contiguous property that it owns or may acquire, which may be developed into tracts and roadways and may later be made a part of WESCOTT FARMS. Declarant shall have and hereby reserves the right and option, from time to time and at any such time as the Declarant owns any contiguous property, to subdivide all or any portion of the same into additional tracts by the filing of a plat designating such tracts on the records of Brunswick County, North Carolina, and upon any such filing the number of tracts located on the property shall be increased to include such additional tracts:

(b) The additions shall be made by filing Supplementary Declarations of Covenants, Conditions and Restrictions of WESCOTT FARMS which may be executed and recorded by Declarant without consent of any other party. Said Supplementary Declarations may contain such complementary additions and modification of this Declaration of Covenants, Conditions and Restrictions as may be necessary.

ARTICLE II DEFINITIONS

"Association" shall mean and refer to WESCOTT FARMS Homeowners Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

"Owner" shall mean and refer to any contract buyer and/or title record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of any of the Property made subject to this Declaration, but excluding those having such interest merely as security for the performance of an obligation, provided however, the Declarant shall not be deemed an Owner.

"Property" shall mean and refer to that certain property shown on those plats recorded in Map Book 35 at Page 408-409, in the Office of the Register of Deeds for Brunswick County, North Carolina and any additional property which Declarant may make a part of this Subdivision, as provided for in this document. The terms "Property," "Subdivision," and WESCOTT FARMS are interchangeable.



"Lot" shall mean and refer to any improved or unimproved building lot shown upon any recorded subdivision plat of this Subdivision. In the event that any Lot is increased or decreased in size by recombination or resubdivision through recordation of new subdivision plats, any newly platted Lot shall thereafter constitute a Lot.

"Dwelling or Unit" shall mean and refer to any building or portion thereof within the property which is designated and intended for use and occupancy as a residence by a single family, whether by the Owner of such Unit or by tenants or lessees of such Owner.

"Declarant" shall mean Wescott, LLC, a North Carolina limited liability company, and its successors and assigns, if the rights and obligations of the Declarant hereunder are expressly assigned to and assumed by such successors and assigns, which assignment may be without consent of any other party.

"Common Property" shall mean and refer to any and all real property, together with any improvements thereon, shown on any recorded subdivision plat of the properties, with the exception of any lots, as said term is defined in this Declaration. All roads within the development will be private and, as such considered common property. Except as otherwise provided in this Declaration, the common property shall be maintained by the Association or its successors in interest unless dedicated to public use as set forth herein.

"Committee" shall mean the Architectural Review Committee established by the Declarant for the purpose of administering control over architectural, landscaping, and related matters, as provided in Article V of this Declaration.

**ARTICLE III
RIGHTS AND DUTIES OF THE ASSOCIATION
AND PROPERTY OWNERS ASSESSMENTS**

Section 1. Owner's Easements of Enjoyment. The Declarant and, to the extent provided by this Declaration, every Owner shall have a right and easement of ingress, egress, and regress over the Common Property and over the roads within the Property, to be used in common with others, for the purpose of providing access to lot(s) owned or dwelling unit(s) owned by the owner for himself, his family, agents, licensees and invitees, and for his and their non-exclusive use and enjoyment of the Common Property, subject however to the limitations on such use and enjoyment of the Common Property as provided for in this Declaration. Every Owner, and the members of such Owner's family who reside with such Owner or are overnight guests of such Owner, shall have the right to use the recreational areas within the Common Property, subject however to such Owner paying when due the dues and assessments of the Association and abiding by all rules and regulations of the Association, including without limitation those governing the use of the recreational areas and the Common Property. Non-Owners shall only be entitled to use the recreational areas on such terms and conditions as the Association may select.

Section 2. Annual Assessments.

(a) The Association shall have the duty to repair, replace, and maintain all recreational areas and improvements located thereon, and all streets, roads, road right-of-ways, and other Common Property. The Association shall have the right, from time to time, to establish a reasonable assessment, which assessment shall be paid by each Owner in such periodic installments as the Association may determine, to be used to pay: (1) the operating and administrative expenses of the Association; (2) the costs of maintenance, upkeep, replacement and repair of all recreational areas, and improvements located thereon, and all streets, roads, road right-of-ways, and other Common Property; and (3) other expenses necessary or useful to maintain and operate the Association and the recreational facilities (including, without limitation, the procuring, maintenance and paying the costs of insurance related to the Common Property and of surety and other bonds related to the management of the Common Property and the Association). It is understood (by way of example and without limitation) that the assessment funds shall be used for such matters concerning Common Property as the following: maintenance, repair and replacement of improvements within the recreational areas, the seeding and re-seeding of road right-of-ways and Common Areas, erosion control, repairing of road shoulders, surfacing, patching and resurfacing of parking lot and road pavement, placement of gravel, and planting and maintenance of shrubs, trees and seasonal flowers.

(b) The annual assessment payable by each Owner shall be \$360.00 per lot per calendar year. The annual assessment shall be due and payable on January 31 of each year. This assessment will be prorated on a calendar year basis from the date title to each lot for which an assessment is payable is transferred to the Owner.

(c) The annual assessment may be increased or decreased by the board of directors of the Association without a vote of the membership to an amount not more than ten percent (10%) in excess of the annual assessment for the previous year. A majority vote of the Association must approve an increase or decrease in the annual assessment if the increase or decrease exceeds the assessment for the previous year by more than ten percent (10%).

(d) Annually the board of directors of the Association shall have determined and shall have given written notice to each Owner of the annual assessment affixed against each owner for the immediately succeeding calendar year.

Section 3. Special Assessments.

In addition to the assessments specified herein above, the Association may levy special assessments for the purpose of supplementing the annual assessment if the same are inadequate to pay the reasonable maintenance expenses and operating costs of the Association as described in Section 2 hereof, provided that any such special assessments shall have the assent of a majority vote of the Association at a duly called meeting.

Section 4. Removal of Obstructions and Unsightly Growth, Debris, and Materials.

(a) The Association may remove any obstructions of any nature located within road right-of-ways or other Common Property (including but not limited to trees, shrubs and mailboxes) which, in the opinion of the Association, either might produce a hazard or might interfere with the ability

or willingness of the State of North Carolina (or agency or department thereof) to take over the responsibility for maintenance of the roads, if so desired.

(b) The Association shall have the right, in its sole discretion, to charge back its actual cost of removing obstructions against the Owner who directly, or through his agents, contractors or invitees caused or permitted the obstruction to be placed in the road right-of-way or other Common Property, and such Owner shall indemnify and save the Association harmless from all liability, claims, damages and expense imposed upon the Association, at law or in equity, caused by or resulting from the placement of the obstruction in the road right-of-ways or other Common Property. In the event the Owner responsible for such charge or liability as aforesaid fails and refuses after demand by the Association to pay said charge or liability, then the Association shall have a lien against his lot thereon and may enforce collection of the charge or liability, together with reasonable attorneys' fees, by any and all remedies afforded by law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the end that such charge or liability shall become a charge against the said lot or dwelling unit.

(c) If the Association, in its sole discretion, determines that any lot has become unsightly due to grass or weeds that have not been mown, or due to debris of any nature having accumulated on the lot, then the Association shall have the right from time to time to enter the said lot for the purpose of mowing the grass or removing the debris. At least ten (10) days prior to entering a lot for said purpose, the Association shall advise the Owner by letter, sent to his last known address, of the action to be taken if the Owner does not remedy the problem within the said ten (10) day period. The Association shall take reasonable steps to avoid damage to any trees planted on such lot, to the extent that the Association has been put on written notice in advance by the Owner of the approximate location of said trees on a chart or map of such lot.

(d) The Association shall have the right in its sole discretion to charge back the actual cost of mowing the grass or removing the debris against the owner. In the event the Owner responsible for such charge or liability as aforesaid fails and refuses after demand by the Association to pay said charge or liability, then the Association shall have a lien against his lot thereon and may enforce collection of the charge or liability, together with reasonable attorneys' fees, by any and all remedies afforded by law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided to the end that such charge or liability shall become a charge against the said lot or dwelling unit.

Section 5. Duty to Make Repairs

(a) Unless and until accepted for maintenance by governmental authority, the obligation for the repairs, maintenance and improvements of the roads as shown the aforesaid plat(s) or any other common property shall be the responsibility of the Association, with the Owner of each lot, except as provided herein, being responsible for payment of the assessments levied by the Association, which assessments shall be the personal obligation of the Owner of each lot.

(b) The decision to expend Association funds to repair and maintain the roads or other Common Property shall be made by a majority of the board of directors of the Association. By such vote, the board may delegate such authority to any committee of the board. No owner may waive or otherwise escape liability for assessments provided for herein by non-use or abandonment of his lot.

(c) Notwithstanding the foregoing, each Owner of a lot shall be solely responsible for any repairs to a road right-of-way or other Common Property caused by the negligent act or acts of said owner, his or her invitees, agents, licensees, or guests. For these purposes, it shall be a negligent act for any building material to be unloaded on any road or road right-of-way.

Section 6. Late Charges and Interest on Unpaid Assessments.

Any assessment not paid within thirty (30) days after the due date shall be subject to such late charges and shall bear interest at a rate per annum as shall be determined by the board of directors of the Association, which interest rate shall not exceed the highest rate of interest allowed by law. The initial late charge imposed for late payment of any assessment is \$25.00 and shall be charged as to any assessment that is not paid within 30 days of its due date. The initial interest rate for late payment is 18% per year (1.5% per month) which shall commence to accrue on any assessment or other account balance that is not paid within thirty (30) days of the date due. The initial date upon which liens may be filed for failure to make payment of assessments and other charges is thirty (30) days after the due date. The board of directors may change the initial late charge, interest rate, due dates and lien assessment date by majority vote of the directors.

Section 7. Lien for Unpaid Assessments

(a) In the event the Owner of any lot fails and refuses, after demand by the Association, to pay any annual or special assessment then the Association shall have a lien against said lot and may enforce collection of said assessment in law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided to the end that such unpaid assessment together with the costs and expenses of collection, including without limitation, reasonable attorneys' fees, shall be a charge and lien against the said lot.

(b) To secure the payment of the annual and special assessments as are levied by the Association, together with the cost of collection including attorney's fees, all such charges shall be a continuing lien upon the lot against which the assessments are made. Such charges shall also be the personal obligation of the person(s) who were the owner or owners of such lot at the time the assessment came due. Their personal obligation shall remain a lien upon the lot upon transfer of title but shall not become the personal obligation of the purchasers thereof unless expressly assumed by them.

(c) Neither the assessments nor the costs of collection shall be a lien upon any Common Property nor shall the lien upon any lot for such charges be senior to any first lien mortgage or first lien deed of trust regardless of the fact the lien arose prior to the date and time of recording of any such first lien mortgage or deed of trust.

ARTICLE IV

MEMBERSHIP, VOTING RIGHTS, OFFICERS AND MEETINGS

Section 1. Membership Every owner of a lot which is subject to this Declaration 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. Voting Rights The voting rights of the membership shall be appurtenant to the ownership of the Lots and may not be separated from ownership of any Lot.

There shall be two classes of Lots with respect to voting rights:

(a) Class A Lots. Class A members shall be those Lots upon which single-family dwellings are built, or are to be built. All Lots in the Subdivision shall be Class A Lots except those Lots which are Class B Lots as the same are hereinafter defined. Ownership of a Class A Lot shall entitle the Owner of such Lot to one (1) vote. When more than one person owns an interest (other than a leasehold or security interest), in any Lot, all such persons shall be Members and the voting rights appurtenant to their Lot shall be exercised as they, among themselves, determine; but fractional voting shall not be allowed, and in no event shall more than one vote be cast with respect to any Class A Lot.

(b) Class B Lots. Class B Lots shall be all Lots owned by Declarant and which have not been converted to Class A Lots as set forth below. Declarant shall each be entitled to twenty (20) votes for each Class B Lot it owns. The Class B Lots shall cease to exist and shall be converted to Class A Lots upon the earlier of the following to occur: (i) when Declarant no longer owns any Lots or Units within the property; (ii) upon written waiver of Class B membership by the Declarant, or (iii) December 31, 2016. When the Class B Lots cease to exist and are converted to Class A Lots, Declarant shall have the same voting rights as other Owners of Class A Lots.

Section 3. Board of Directors. There shall be a minimum three (3) members of the board of directors of the Association who shall serve until such time as their successors are duly elected and agree to serve. The directors shall have annual meetings and other such meetings as may be called at the request of the president of the Association or by a majority of the directors. So long as the Declarant, or its successors and assigns, is the holder of Class B lots, it shall select the board.

Section 4. Suspension of Voting Rights. The Association shall have the right to:

(a) Suspend the voting rights (if any) of any Owner for any period during which assessment on his lot remains unpaid and enforce collection of the same and

(b) Suspend the voting rights (if any) of each Owner who is a contract buyer for any period of time during which payments to the Declarant pursuant to terms of said contract are delinquent, during which period of time the Declarant shall succeed to the voting rights of said contract buyer.

ARTICLE V

CONVEYANCE OF COMMON PROPERTY

Within ten (10) years from the date of recording of this Declaration, Declarant will convey by deed its right, title, and interest in and over the road right-of-ways and any other Common Property within the Subdivision to the Association.



ARTICLE VI
ARCHITECTURAL CONTROL

Section 1 Architectural Approval. Since the establishment of inflexible building setback lines for location of houses on lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view, preservation of important trees and other vegetation, ecological and related considerations, no specific setback lines are established by this Declaration. In order to assure, however, that the foregoing considerations are given maximum effect, the site and location of any house or dwelling or other structure upon any Lot shall be controlled by and must be approved absolutely by the Declarant or the Architectural Review Committee ("ARC"), as the case may be.

The Architectural Review Committee shall have the sole and absolute right to determine the style and appearance of the Dwellings, including, but not limited to, 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 (hereinafter individually and collectively referred to as "Improvements"), provided however, that the exterior of any utility or other outbuilding so constructed shall match the main Dwelling constructed on the Lot in design, construction materials, and exterior covering; and further provided that built upon area for the Lot, including all utility and other outbuildings, shall not exceed the maximum built upon area of : Lots 1-12 & 32-55 - 5,400 sf each; Lots 13, 15-31 - 10,110 sf each; Lot 14 - 10,115 sf.

No Lot owner may remove any tree from any Lot, or make any material changes to the landscaping in areas of Lots maintained, or to be maintained by the Association without the approval of the ARC.

Exposed exterior walls of all residences constructed in the subdivision shall consist of brick, hardboard siding or other materials of similar quality and durability.

After occupancy of a Dwelling as a residence pursuant to a certificate of occupancy or other similar certificate issued by the appropriate governmental authority, no improvements (including, without limitation, replacement of any previously existing improvements) shall be commenced, erected or maintained upon the property, nor shall any exterior addition to or change or alteration thereof be made (including, without limitation, changing materials or color of any exterior portion of any such improvements), nor shall a building permit for such improvements or change be applied for or obtained, until plans and specifications showing the nature, kind, shape, heights, materials, color and location of same have been submitted to and approved in writing by the Association or by the ARC composed of three or more persons appointed by the Board of Directors of the Association. If the Association or its designee fails to approve or disapprove such proposed improvements within sixty (60) days after complete plans and specifications have been received by it, approval will not be required, and this Article shall be deemed to have been complied with. The Association shall have the right to charge a reasonable fee for receiving and processing each application.

The Declarant and, after the termination of Class B Membership, the Association, shall have the right to promulgate and from time to time amend written architectural standards and construction

specifications (hereinafter the "Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including, but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. Neither the Association nor the ARC shall approve any improvements which it determines, in its sole discretion, not to be in harmony of external design, construction and/or location in relation to the surrounding structures, topography or the general plan of development of the Subdivision.

Neither the Declarant, the Association, the Board of Directors, the ARC, nor any member or employee of any of them, shall have any liability to any person or entity by reason of any acts taken or omitted by them, or any of them, in good faith pursuant to this Article.

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 modifications.

Section 3 Variances. The ARC may recommend to the Board, and 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 VII GENERAL USE RESTRICTIONS

Section 1. Business Use Prohibited. No trade, business, profession or other type of commercial activity shall be carried on upon any Lot, except that the Declarant, real estate brokers, Owners and their agents may show Lots for sale or lease. Notwithstanding the foregoing, the Declarant and the agents and employees of the Declarant, shall have the right to: (i) use Lots and improvements erected thereon for sales offices, field construction offices, storage facilities, and its own general business offices; (ii) conduct any other activities on Lots to benefit sales efforts; and (iii) use the parking facilities on the Common Area for parking for its employees and invitees.

Section 2. Use of Accessory Structures. No tent, shack, barn, car port, metal awnings, metal utility sheds or other building, other than a Dwelling and its garage, shall be erected on a Lot, and used temporarily or permanently as a residence, nor shall any such structure be used for any other purpose. Notwithstanding the foregoing, the Declarant may use temporary buildings, offices or facilities in connection with the marketing, sale and construction of Units.

Section 3. Maintenance of Improvements. Each Owner shall maintain in good condition and repair all improvements constructed upon such Owner's Lot, including, without limitation, the Dwelling. 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 this Declaration.

Section 4. Storage: Clothes Hanging. No Lot or Common Area shall be used for the storage of rubbish. Outside clothes hanging devices shall not be permitted.

Section 5. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot or the Common Area, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No automobile or other vehicle mechanical repairs or like activity shall be conducted within the Properties other than in a garage and concealed from public view.

Section 6. Lawns. All lawns shall be maintained in a neat condition. "Neat" shall require, at a minimum, that the lawn be regularly cut and fertilized and that mulched areas be regularly re-mulched and kept weeded so that its appearance is in harmony with the neighborhood.

Section 7. Failure to Maintain. If an Owner fails to maintain the Lot or the improvements thereon, 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 therefore and all costs of enforcement and collection shall be secured by a lien against the Lot.

Section 8. Animals. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot, except that a reasonable number of cats, dogs, and other household pets may be kept provided they are not kept, bred, or maintained for any commercial purposes or become a nuisance to the neighborhood. No person owning or having custody of an animal shall allow the animal to stray or go upon another Owner's Lot without the consent of such other Owner. No animals shall be permitted on or in the Common Area at any time except as permitted by the rules and regulations of the Association.

Section 9. Signs. The Association may develop uniform sign standards and specifications to which all Owners must adhere. Except as authorized by the Association, no signs shall be displayed on any Lot with the exception of one (1) "For Sale" or "For Rent" sign not exceeding 36" x 24" in size and political signs and flags which may be displayed pursuant to applicable law. 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 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 10. 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.

Section 11. Vehicles, Boats and Trailers. Off-street parking for not less than two (2) automobiles must be provided on each Lot prior to the occupancy of any dwelling constructed on said Lot. Parking areas and the driveways thereto shall be constructed of concrete, brick, asphalt, or turfstone. Parking of motor vehicles on lawns or in other landscaped areas is prohibited.



Any vehicle not in operable condition and validly licensed, may be kept on a Lot only if kept inside a garage and concealed from public view. No boat may be kept on any Lot. For the purpose of this section, the term "kept" shall mean present for either a period of more than ten (10) hours or overnight, whichever is less.

The Association shall have, upon three (3) days notice to the owner, the right to tow or remove any boat, trailer, or vehicle of any type which is parked within the Premises 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 12. Walls, Fences, and Hedges. All walls, fences, planters and hedges shall be controlled strictly for compliance with this Declaration and architectural standards established by the Declarant or the Architectural Review Committee. Walls, fences and hedges are Improvements and therefore subject to approval pursuant to this Declaration; therefore the design, location and materials of all fences and walls must be approved prior to construction.

Section 13. Above ground swimming pools. No above ground swimming pool shall be erected, constructed, placed or permitted to remain on any Lot.

Section 14. Antennae and Roof Structures. No radio or other electrical towers, aerials, antennae, 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, except that this prohibition shall not apply to those antennae specifically covered by 37 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time. 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.

Section 15. Minimum Size of Units. All Dwellings constructed on any Lot shall have a minimum of 1400 square feet of enclosed dwelling area for lots of a size of less than .4 acres and 1800 square feet of enclosed dwelling area for lots of a size of .4 acres or more. The term "enclosed dwelling area" as used in the minimum requirements shall be the total enclosed area within a dwelling, provided, however, that such term does not include garages, terraces, decks, open porches, and like areas; provided, further, that shed type porches, even though attached to the house are specifically excluded from the definition of the aforesaid term "enclosed dwelling area".

Section 16. Seasonal or 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 ARC has the sole discretion to determine what is a reasonable period of time for seasonal or holiday decorations to exist after the holiday passes and its determination shall be final.

Section 17. Window Covering All drapes, curtains or other similar materials hung at windows so as to be visible from outside the home shall be of a white or neutral background material.

Section 18. Exterior Lights. All light bulbs or other lights installed in any fixture located on the exterior of any building or any Sites shall be clear, white or non-frosted lights or bulbs. Light wattage and placement shall be approved by the Architectural Control Board.

Section 19. Service Utilities. 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 Architectural Control Committee, so as to preclude the same from causing an unsightly view from any street or way within the subdivision, or from any other residence within the subdivision.

Section 20. Deviations. Declarant at its sole discretion, is hereby permitted to approve deviations to restrictions in this Article in instances where in its judgment, such deviation will not adversely affect the development of the Property as a whole. Such approvals must be granted in writing and when given will automatically amend these restrictions for that certain Lot only.

ARTICLE VIII

STORMWATER MANAGEMENT

Section 1. The following covenants are intended to ensure ongoing compliance with State Stormwater Permit Number SW8 060233, as issued by the Division of Water Quality under NCAC 2H.1000.

Section 2. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.

Section 3. These covenants are to run with the land and be binding on all persons and parties claiming under them.

Section 4. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.

Section 5. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.

Section 6. The maximum allowable built-upon area per lot is: Lots 1-12 & 32-55 – 5,400 sf each; Lots 13, 15-31 – 10,110 sf each; Lot 14 – 10,115 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 and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.

Section 7. Filling in or piping of any vegetative conveyances (ditches, swales, etc) associated with the development except for average driveway crossings, is strictly prohibited by any persons.

Section 8. Each Lot will maintain a 30 foot wide vegetated buffer between all impervious areas and surface waters.

Section 9. All roof drains shall terminate at least 30 feet from the mean high water mark of surface waters.

Section 10. Drainage and Grading: Catch basin and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or occupant may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers or storm drains.

Section 11. Drainage is constructed in accordance with a plan approved by the State of North Carolina, Division of Water Quality. No person shall alter the grading of any unit without prior approval pursuant to this Declaration. The Declarant hereby reserves for itself and the Association a perpetual easement across the properties for the purpose of altering drainage and water flow. However, the exercise of such an easement shall not materially diminish the value of or unreasonably interfere with the use of any unit without the Owner's consent, nor shall it alter or rescind drainage from the approved plan without the concurrence of the Division of Water Quality.

ARTICLE IX GENERAL PROVISIONS

Section 1. Sewer. It is understood that, as of the time of the recording of this Declaration, sewer service is not available at the Property. Any sewer lines installed in the development of the Property is for the future convenience of the Owners and the Association. It is understood that, should sewer service become available, additional work will have to be performed in order to make sewer operational. Said additional work shall be performed by the Association at such time as sewer service is available, with the cost therefore to be the responsibility of the Association. No such additional work or the costs thereof shall be the responsibility of the Declarant.

Section 2. Enforcement. The Association or any Owner shall have the right to enforce, by proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Further, the Board of Directors shall have the right to record in the appropriate land records a notice of violation of this Declaration or the Bylaws of the Association, or any rules, regulations, use restrictions, or design guidelines promulgated by the Association and to assess the cost of recording and removing such notice against the Owner in violation of the Declaration.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.



Section 4. Amendment. For so long as Declarant owns any Lot or Unit within the Properties, 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 Brunswick County, North Carolina.

The covenants and restrictions of this Declaration, and any amendments thereto, are appurtenant to and shall run with and be binding upon the Properties and the Owners thereof for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or amended by a vote of the Owners as set forth below.

Subject to the Declarant's right to amend as set forth herein and after Class B Lots cease to exist, this Declaration may be amended during the first twenty-five year period by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots and terminated during the first twenty-five year period by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots, and thereafter amended by an instrument signed by the Owners of not less than sixty-seven percent (67%) of the Lots or terminated by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots, provided, however, that so long as there is Class B membership, no amendment adopted by the Owners shall be effective unless and until such amendment is approved in writing by the Declarant. Amendment or termination shall be by written instrument signed by the appropriate persons or entities and recorded in the applicable public registry for Brunswick County, North Carolina, and upon recordation, shall be binding on all Lots and Units within the Properties and the Owners thereof, without regard to whether the Owner of such Lot voted for or against or signed or did not sign the amendment.

Section 5. Interpretation. Headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing any provision hereof. Unless the context otherwise requires, the use herein of the singular shall include the plural and vice versa: the use of one gender shall include all genders; and the use of the word "including" shall mean "including, without limitation". This Declaration and the provisions thereof shall be construed and enforced in accordance with the laws of the State of North Carolina.

Section 6. Subdivision of Lots. No Lot within the Subdivision may be subdivided by sale or otherwise so as to reduce the total Lot area shown on the recorded plat, except by or with the consent of the Declarant and, if required, by the appropriate governmental authority.

Section 7. Declarant's Right To Change Development. With the approval of the appropriate governmental authority, and subject only to such terms and conditions as said authority may impose, Declarant shall have the right, without consent or approval of the Owners, to create Lots and Units, add Common Area, and reallocate Lots or Units within the Properties. Additionally, the Declarant may convert any lot or lots or any other property subject to these restrictions to use as a roadway.

Section 8. Rules and Regulations: Enforcement. The Board of Directors shall have the authority to adopt additional rules and regulations governing the use of the Common Area and the Lots within the Subdivision and shall furnish a written copy of said rules and regulations to the Owners) of each Lot. In addition to any other rights and remedies that the Association may have under the Bylaws and this Declaration, the Association may impose sanctions for a violation of this Declaration, the Bylaws of the Association, the rules and regulations adopted Association, and any restrictive covenants applicable to the Properties, in accordance with procedures set forth in the Bylaws, which sanctions may include, without limitation, reasonable monetary fines, which shall constitute a lien upon the Lot of the violator, and suspension of the right to vote and the right to use the Common Area any facilities thereon.

In addition, as provided in the Bylaws, the Association may exercise self-help to cure violations (specifically including, but not limited to, the towing of Owner and tenant vehicles that are in violation of parking rules) and may suspend the right of an Owner to use any Common Area and recreational facility within the Properties if the Owner is more than 30 days delinquent in paying any assessment or other charge due to the Association.

The Association shall at all times have the right and easement to go upon any Lot for the purposes of exercising its rights hereunder, including, but not limited to, enforcement of the architectural guidelines applicable to the Properties. Any entry onto any Lot for purposes of exercising this power of self-help shall not be deemed as trespass. All remedies set forth in this Declaration and the Bylaws shall be cumulative of any remedies available at law or in equity. In any action to enforce its rights and remedies, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, incurred in such action.

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 stop the Association from enforcing any other covenant, restriction or rule.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 16 day of August, 2006.

DECLARANT:
WESCOTT, LLC
A North Carolina limited liability company
By: Glenn B. Richardson (SEAL)
Glenn B. Richardson, Member/Manager



STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, Barbara A. Stein, a Notary Public in and for the State and County aforesaid, certify that Glenn B. Richardson personally came before me this day [I have personal knowledge of the identity of the principal; ~~OR I have seen satisfactory evidence of the principal's photograph in the form of a driver's license/passport~~] and acknowledged that he is the MEMBER/MANAGER of WESCOTT, LLC, a North Carolina limited liability company and that by authority duly given and as the act of such entity, he signed the foregoing instrument in its name on its behalf as its act and deed.

WITNESS my hand and official seal this 16th day of August, 2006.

My Commission Expires: 10-5-2007 Barbara A. Stein, Notary Public

