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AFTER RECORDING RETURN TO:
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DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE WOODLANDS

FILED
IREDELL COUNTY NC
By. *BDC*
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BRENDA D. BELL
Register Of Deeds

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 6th day of May, 1996, by MOORESVILLE DEVELOPMENT, LLC, a North Carolina Limited Liability Company, hereinafter referred to as "Declarant".

STATEMENT OF PURPOSE

Declarant is the owner of certain property in Iredell County, North Carolina, which is more particularly described in deed recorded in Record Book 933 at Page 325, in the Iredell County, North Carolina, Public Registry, reference to which is hereby made. Declarant desires to create thereon an exclusive residential community of single-family residences to be named THE WOODLANDS.

Declarant desires to insure the attractiveness of THE WOODLANDS and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all property within THE WOODLANDS and to provide for the maintenance and upkeep of all common areas in THE WOODLANDS. To this end the Declarant desires to subject the real property described herein to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof.

Declarant further desires to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the common area in THE WOODLANDS, administering and enforcing the covenants and restrictions contained herein, and collecting and disbursing the assessments and charges hereinafter created in order to efficiently preserve, protect and enhance the values and amenities in THE WOODLANDS to insure the residents' enjoyment of the specific rights, privileges and easements in the common area, and to provide for the maintenance and upkeep of the common area.

To that end the Declarant has or will cause to be incorporated under North Carolina law, THE WOODLANDS OWNERS' ASSOCIATION, as a non-profit corporation for the purpose of exercising and performing the aforesaid functions.

NOW, THEREFORE, Declarant, by this Declaration of Covenants, Conditions and Restrictions, does declare that all of the property described herein is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration which shall run with the real property and be binding on all parties owning any part, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1: "Association" shall mean and refer to THE WOODLANDS OWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation, its successors and assigns.

Section 2: "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association shall include all of the areas labeled as such on the

recorded plat map for said Subdivision, including, but not limited to access easements, the entrance to the Development, and all roads and streets shown on the Map (except for public roads and streets maintained by the State of North Carolina). In addition, the Declarant reserves the right to dedicate any and all other property within the Development as a Common Area, so long as the Declarant retains any ownership interest in said property. The listing and description of the components of the Common Areas are illustrative of Declarant's present plans only and are not a guaranty by Declarant or the Association that all or any part of such components will be constructed or installed by the Declarant or the Association at any future time.

Section 3: "Declarant" shall mean and refer to MOORESVILLE DEVELOPMENT, LLC, a North Carolina Limited Liability Company, its successors and assigns.

Section 4: "Development" shall mean and refer to THE WOODLANDS Subdivision, a single-family residential development proposed to be developed on the Properties by the Declarant.

Section 5: "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on the Maps with the exception of the Common Area and public roads and streets.

Section 6: "Map" shall mean and refer to any maps of the Property which may be recorded by Declarant in the Iredell County, North Carolina, Public Registry hereafter.

Section 7: "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 8: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot including the Declarant if it owns any Lots and including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 9: "Property" or "Properties" shall mean and refer to the property described in Article II, Section 1 hereof.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION
AND WITHIN THE JURISDICTION OF
THE WOODLANDS OWNERS' ASSOCIATION, INC.

Section 1: Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, and within the jurisdiction of the Association is all that certain 93.07[±] acre parcel located in Iredell County, North Carolina, being more particularly described in the deed recorded in Record Book 933, at Page 325, in the Iredell County Public Registry; together with any additional parcels which the Declarant may hereafter desire to submit to this Declaration.

ARTICLE III
PROPERTY RIGHTS

Section 1: Ownership of Common Area. After the conveyance of seventy-five percent (75%) of the Lots by Declarant to other owners, Declarant may elect to convey the Common Area to the Association. Notwithstanding the recordation of any Map of any other action by Declarant or the Association, all Common Area (including the Common Area streets and roads) shall remain private property and shall not be considered as dedicated to the use and enjoyment of the public subject to the provisions of Article VIII hereof.

Section 2: Owners' Rights to Use and Enjoy Common Area. Each Owner shall have the right to use and enjoy the Common Area which shall be appurtenant to and shall pass with the title to his Lot, subject to the following:

- (a) the right of the Association to promulgate and enforce reasonable regulations governing the use of the Common Area to insure the safety and rights of all Owners;

- (b) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (c) the right of the Association to suspend the voting rights in the Association and right to use the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and
- (d) the right of the Declarant or the Association to retain and grant utility, drainage and other easements of the type and for the purposes set forth in Article X across the Common Area.

Section 3: Owners' Easements. Every Lot shall be conveyed with perpetual, non-exclusive right to use any street or road which may be constructed by the Declarant and conveyed to the Association as part of the Common Area for the purpose of providing access to and from each Lot.

Section 4: Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association (a copy of which is attached as Exhibit A), his right of enjoyment to the Common Area and facilities to the members of his family, his guests, his tenants, or contract purchasers who reside on his Lot.

ARTICLE IV MEMBERSHIP, VOTING RIGHTS AND CONTROL OF THE ASSOCIATION

Section 1: Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2: Classes of Lots. The voting rights of the Membership shall be appurtenant to the ownership of Lots. There shall be two classes of Lots with respect to voting rights:

- (a) Class A Lots Class A Lots shall be all Lots except Class B Lots as defined below. Each Class A Lot shall entitle the Owner(s) of said 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 said 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 Class A Lot.
- (b) Class B Lots Class B Lots shall be all Lots owned by Declarant which have not been conveyed to purchasers who are not affiliated with the Declarant. The Declarant shall be entitled to three (3) votes for each Class B lot owned by it.

Section 3: Amendment. Notwithstanding the provisions of Section 2 above, so long as Declarant owns any Lot, the Bylaws of the Association may not be amended without its written consent.

Section 4: Board of Directors. The Association shall be governed by a Board of Directors in accordance with the Bylaws. Notwithstanding the provisions of Section 2 above, the Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events occurs:

- (1) Declarant no longer owns any Lot, or
- (2) Declarant surrenders the authority to appoint and remove members of the Board of Directors and officers of the Association by an express amendment to this Declaration executed and recorded by the Declarant.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1: Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by

acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments for capital improvements, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs and reasonable attorney's fees, shall be a charge and a continuing lien upon the Lot against which each such assessment a charge is made. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an Owner's successors in title unless expressly assumed by them.

Section 2: Purpose of Annual Assessments. The annual assessments levied by the Association shall be used as follows:

- (a) to maintain all roads constructed within the Common Areas to the standard of maintenance which would be required by the State of North Carolina before it would accept such roads for maintenance;
- (b) to keep the Common Area clean and free from debris and to maintain any amenities located thereon in a clean and orderly condition, and to maintain the landscaping thereon in accordance with the highest standards for private parks including any necessary removal and replacement of landscaping.
- (c) to pay all ad valorem taxes levied against the Common Area and any property owned by the Association;
- (d) to maintain any light fixtures along all roads and streets in the Development to provide street lighting therefor, as may be approved by the Association;
- (e) to maintain an entrance sign at the entrance to the Development and a sign or signs on the Common Areas designated on the Maps, said signs to be of standard construction and quality;
- (f) to pay the premiums on all hazard insurance carried by the Association on the Common Area and all public liability insurance carried by the Association pursuant to the Bylaws;
- (g) to provide such security services as may be deemed reasonably necessary for the protection of the Common Areas from theft, vandalism, fire and damage from animals;
- (h) to pay all legal, accounting and other professional fees incurred by the Association in carrying out its duties as set forth herein or in the Bylaws; and
- (i) to maintain a contingency reserve equal to minimum of ten percent (10%) of the sum of the amounts described in subsections (a) through (h) above in order to fund unanticipated expenses of the Association.

Section 3: Maximum Annual Assessment. The maximum annual assessment for each lot shall be \$100.00; provided, however, that this maximum annual assessment may be increased if such increase is approved by at least 51% of the Members of the Association.

Section 4: Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, and common roadways serving the Development provided that any such assessment is approved by at least 51% of the Members of the Association.

Section 5: Assessment Rate. Both annual and special assessments must be fixed at a uniform rate for all Lots which have been previously conveyed by the Declarant to any Owner not affiliated with the Declarant. It is understood and agreed that neither annual nor special assessments will be levied against Lots not previously conveyed by the Declarant to any Owner not

affiliated with the Declarant. Said annual assessment shall be fixed by the Board of Directors of the Association at an amount not in excess of the maximum as provided for in Section 3 above.

Section 6: Date of Commencement of Annual Assessments and Due Dates. The annual assessments provided for herein shall become due and payable on January 1 of each calendar year. However, the first or initial annual assessment levied against any given Lot shall be adjusted according to the number of days remaining in the calendar year; and furthermore, said assessment shall be collected at the settlement closing of the purchase of said Lot. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8: Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been theretofore established by the Board of Directors of the Association to defray the costs arising because of late payment. The Association may bring an action at law against the delinquent Owner or foreclose the lien against the Lot, and interest late payment charge, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Common Area or abandoning his Lot.

Section 9: Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust on a Lot or any mortgage or deed of trust to the Declarant. Sale or transfer of any Lot shall not effect 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; provided, however, that the Board of Directors may in its sole discretion, determine such unpaid assessments to be an annual or a special assessment, as applicable, collectable pro rata from all Owners including the foreclosure sale purchaser. Such pro rata portions are payable by all Owners notwithstanding the fact that such pro rata portions may cause the annual assessment to be in excess of the maximum permitted under Section 3. No sale or transfer shall relieve the purchaser of such Lot from liability for any assessment thereafter becoming due or from the lien thereof, but the lien provided for herein shall continue to be subordinate to the lien of any mortgage or deed of trust as above provided.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1: Architectural Committee. For purposes of this Article VI, the Declarant shall function as the Architectural Committee (the "Committee") so long as Declarant is a Class B Member of the Association. After the termination of the Declarant's Class B Membership, the Board of Directors of the Association shall appoint the members of the Committee to carry out the functions set forth in this Article.

Section 2: Definitions. For purposes of this Article VI, the following terms shall have the following meanings unless the context clearly requires a different meaning:

- (a) "accessory building" means every detached garage, carport, boat shed, tool shed, storage or utility building, detached guest quarters, or other similar building constructed on a Lot or incidental thereto which is not a dwelling;
- (b) "buildings" means accessory buildings and dwellings;
- (c) "dwelling" means a building constructed for single-family residential use; and

- (d) "improvements" or "structures" means building, walls, fences, decks, patios, planters, terraces, swimming pools, tennis courts or anything else constructed or placed on a Lot.

Section 3: General Guidelines. The placement and construction of improvements on the Lots shall be subject to the following general requirements:

- (a) Every dwelling constructed shall contain the minimum number of heated square feet of fully enclosed floor space as follows:

1,350 square feet for one story dwellings;

1,400 square feet for one and one-half story, split-level, and two story dwellings, with a minimum of 850 square feet on the first floor.

For purposes hereof, the "fully enclosed floor area" of a dwelling shall exclude decks, patios, terraces, attached garages and carports, accessory buildings and unscreened porches, whether roofed or unroofed.

If a dwelling incorporates a basement, such basement shall not be considered a "level" or "story" and the level of the dwelling immediately above the basement shall be considered the "first level" or "first story" of such dwelling for purposes of this subsection (a) of this Section 3.

- (b) In order to assure that all structures will be located with regard to the topography of each individual Lot, taking into consideration the elevation contours of the Lot, the location of adjoining dwellings, and similar consideration, the Declarant reserves unto itself, its successors and assigns, the right to control absolutely and solely to decide the precise site and location of any structure, improvements, buildings and utilities upon all Lots and every Lot within the Development; provided, however, that such location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site, and in any event all buildings shall be constructed beyond the minimum setback lines as shown on the recorded plats of the subdivision and as outlined below:

35 feet from the street right-of-way;
25 feet from the rear lot line
10 feet from any side or other interior lot line; and
20 feet from any side street right-of-way

or the minimum setback lines as promulgated by the appropriate governing authorities (e.g., Iredell County and Town of Mooresville), whichever are more restrictive.

Furthermore, Declarant reserves the right to reduce the setback requirements herein a maximum of ten percent (10%), if the nature of the dwelling or the property so requires.

- X (c) All boat and trailer storage areas and facilities must be screened and hidden from view and shall not be located any closer to the street than the front building line of the dwelling.
- (d) Unless specifically otherwise approved in writing by the Committee, all structures constructed or placed on any Lot shall be built of substantially new materials and no used structures shall be relocated or placed on any such Lot. No building shall have an exterior surface composed of asbestos siding, perma-stone, exposed concrete block, cinder block, or other similar material. Furthermore, the exterior of all buildings shall be constructed of seventy-five percent (75%) brick. No more than twenty-five percent (25%) of the structure shall be constructed of stone, wood, horizontal vinyl siding, aluminum lap siding, hardboard or wood siding, stucco, or a combination of said materials.

- (e) All structures approved by the Committee must be completed within one (1) year after the receipt of such approval; provided, however, the Committee may waive this requirement if construction delays have been caused by strikes, war, fire, acts of God or other events which render the completion of construction within such time impossible.
- (f) No mobile, modular or manufactured homes of any kind, log cabins, or any homes having the same general appearance, shall be permitted on any Lot.
- (g) All driveways and walkways shall be constructed of concrete.

Section 4: Approval of Plans, Specifications and Construction. In addition to the requirements imposed by all applicable governmental agencies (including the Environmental Health Department) governing the issuance of building permits and certificates of occupancy, no structure shall be erected on any Lot without the approval of the Committee as provided in this Section.

- (a) Prior to commencing any construction or reconstruction on a Lot, the Owner thereof shall submit to the Committee two sets of all building plans and specifications (the "Plans") covering such construction which have been prepared by a qualified registered architect or reviewed and approved by a registered architect for the specific use of the Owner submitting the same. The Plans shall contain the following: (i) foundation plans, (ii) front, rear and side elevation drawings (iii) roof plan, (iv) plot plan showing location and orientation of all structures proposed to be built on the Lot, (v) floor plans showing the square footage of the proposed structures on a floor-by-floor basis, (vi) the location and composition of any driveway. All such drawings shall be submitted to: Model Home, Lot 77 (address _____)
- (b) At the time of the submission of the Plans, the Owner shall also submit samples of all proposed building materials as may be required by the Committee.
- (c) The Committee shall have the absolute and exclusive right to refuse to approve the proposed Plans. In passing upon such Plans and samples, the Committee may take into consideration the suitability and desirability of the proposed construction and the proposed materials to the Lot involved, and the harmony of the external design with the natural features and the existing structures of the surrounding neighborhood and the appearance of such proposed improvements as viewed from neighboring Lots. Refusal to approve the proposed Plans may be based by the Committee on any grounds, including purely aesthetic considerations. If the Committee approves the construction of such improvements, it shall issue a letter evidencing such approval. No alterations in the external appearance of any structure shall be made without approval by the Committee as provided herein; provided, however, that no approval by the Committee granted hereunder shall constitute or be construed as approval by Declarant or any other person of the structural stability or quality of any structure.
- (d) Upon completion of approved construction, the Committee shall inspect the construction to insure that the approved Plans and samples were complied with by the Owner. No structure may be occupied or used until the issuance by the Committee of a letter of compliance. The letter of compliance shall be issued by the Committee without fee; provided, however, that in the event that the Committee's first inspection of the construction reveals deviations or deficiencies from the approved Plans and samples, the Committee may charge a fee of \$50.00 for every subsequent inspection which is necessary to insure compliance with the approved Plans and samples. Any such fee must be paid before the issuance of the compliance letter.

ARTICLE VII
USE RESTRICTIONS

Section 1: Land Use. All Lots shall be used for residential purposes only and common recreational purposes auxiliary thereto and for no other purpose. In particular, no Lot shall be used as a right-of-way, street or road, or access to any property not included within the Properties of this Development without the written consent of the Declarant. Only one family may occupy a lot as a principal residence at any one time. No structure, except as herein provided, shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single family dwelling, together with (i) one small one-story accessory building which may include a detached private garage and (ii) one private in-ground swimming pool, provided such dwelling or accessory building or pool does not overcrowd the site and provided further, that such building is not used for any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main dwelling; and furthermore, shall comply with all other exterior requirements, setback lines and permanent foundations. A guest suite or a like facility without a kitchen may be included a part of the main dwelling or accessory building, but such suite may not be rented or leased except as part of the entire premises including the main dwelling.

Section 2: Nuisance. No noxious or offensive activity shall be conducted upon any Lot or in any dwelling nor shall anything be done thereon or therein which may be or may become an annoyance or nuisance to the neighborhood.

Section 3: Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other common household pets may be kept or maintained provided: (1) they are not kept or maintained for commercial purposes; (2) they are restrained from leaving the owner's lot, except while accompanied on leash; and (3) they do not create an annoyance or nuisance to the neighborhood.

Section 4: Temporary Structures. No structure of a temporary nature shall be erected or allowed to remain on any Lot unless and until permission for the same has been granted by the Committee.

Section 5: Use of Common Area. The Common Area shall not be used in any manner except as shall be approved or specifically permitted by the Association; provided, however, that so long as Declarant owns any Class B lots, Declarant shall have the exclusive right to use parts of Common Area for sales purposes, including, without limitation, promotional activities; installation of utilities (including wells, septic systems and repair areas); installation of drainage pipes, ditches, etc.; and such other uses as the Declarant may deem reasonably necessary.

Section 6: Access to Lots. The Association, its agents or employees shall have access to each Lot from time to time during reasonable working hours, upon oral or written notice to the Owner, as may be necessary for the maintenance, repair or replacement of any portion of the Common Area, or facilities situate upon such Lot which serve another Owner's Lot. The Association or its agent shall also have access to each Lot at all times without notice as may be necessary to make emergency repairs or prevent damage to the Common Area or another Lot.

Section 7: Signs. No signs or other advertising devices shall be displayed upon any Lot or on the Common Area, or in the facilities thereon, without prior written permission of the Association. Declarant and Lot owners, however, may post temporary "For Sale" or "For Rent" signs on the Properties. Furthermore, signs used by a builder during construction or informational signs by the Declarant shall be allowed.

Section 8: Fuel Tanks and Garbage Containers. All fuel storage tanks shall be buried below the surface of the Lot or screened by fencing or shrubbery as approved by the Committee. All outdoor receptacles for ashes, trash, rubbish or garbage shall either be installed in the ground or screened or placed so as not to be visible from any street, other Lot, or Common Area.

Section 9: Maintenance. All Owners shall keep their Lots, whether occupied or unoccupied, free of all tall grass, undergrowth, dead, diseased or decaying trees, weeds, trash, rubbish, and debris and to keep all Lots in a neat and attractive condition. All improvements erected on Lots shall be maintained in a clean, neat and orderly condition and in a good state of maintenance and repair.

Section 10: Access. There shall be no overland vehicular access to any Lot except from designated roads lying within the Common Area or as shown on the Maps.

Section 11: Vehicles and Parking. Each Owner shall provide space for parking at least two (2) automobiles on his Lot within an enclosed garage, either attached or detached, and finished inside and outside. No vehicle shall be parked on any street. No boat, motor home, travel trailer or other recreational vehicle or truck may be stored overnight on any Lot unless the same be within an enclosed garage or behind the dwelling, and generally out of sight from the front of the dwelling. Furthermore, no wrecked or junked motor vehicles shall be placed upon the premises; and no commercial vehicles (other than pickup trucks and passenger vans) shall be parked overnight in the subdivision without the prior written consent of the Declarant or the Association.

Section 12: Antennas. No radio or television aerial or antenna or any other external electronic equipment or devices may be installed or maintained on any exterior of any structure erected on a Lot unless the location, size and design has been approved by the Committee. In any event, satellite "dishes" antennae and other similar facilities must be screened from view from the streets.

Section 13: Fences and Hedges. The erection or installation of all fences and hedges may be undertaken only with the written approval of the Committee. All fencing shall be located behind the front building line of the main dwelling; shall be composed of materials other than chain link or plastic inserts; and in no event shall exceed four (4) feet in height. If any brick wall is constructed, it shall be of an open or latticework type of construction. Decorative fences (meaning wooden fencing, split-rail fencing or wooden fencing which has holes in the posts with wood rails running from post to post) and hedges, no more than 42 inches in height, may be permitted in the front or side yard.

Section 14: Reconstruction. Any building on any Lot which is destroyed in whole or in part by fire, windstorm, flood or other act of God must be rebuilt, or all debris from such building removed and the Lot restored to the condition it was in prior to commencement of construction of such building with reasonable promptness; provided, however, that any such reconstruction must be commenced within six (6) months from the date of such destruction or if no reconstruction is to occur, then all such debris must be removed and the Lot restored to its prior condition within six (6) months of such destruction. If these requirements are not met, the Committee may impose such fines and seek such damages and other remedies as the Committee deems reasonable, with said fines, damages and other remedies attaching to the Lot as an enforceable continuing lien, as well as a personal obligation and liability of the Owner of the Lot until paid in full.

Section 15: Subdivision. No Lot shall be subdivided or its boundary lines changed without the written consent of the Declarant. However, the Declarant hereby expressly reserves to itself, its successors and assigns, the right to realign any two (2) or more Lots shown on the Maps of the development provided that no Lot originally shown on any Map is reduced to a square footage less than the smallest lot as shown on the recorded plats described hereinabove.

Section 16: Hazardous Activities. Nothing shall be done or kept on any Lot or in the Common Area which will increase the rate of insurance on the Common Area or any other Lot without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept on his Lot or in the Common Area which would result in the cancellation of insurance on any part of the Common Area, or which would be in violation of any law.

Section 17: Declarant's Right of Entry. In order to implement effective insect and wood fire control, the Declarant reserves for itself and its agents the right to enter upon any Lot on which a residence has not been constructed and upon which no landscaping plan has been implemented (with prior written approval of the Declarant for such plan), such entry to be made (at the expense of the owner of the Lot) by personnel with tractors or other suitable devices for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, which in the opinion of the Declarant detracts from the overall beauty, setting and safety of THE WOODLANDS. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The Declarant and its agents may likewise enter upon such land to remove any trash which has collected on such lot without such entrance and removal being deemed a trespass. The provisions in this paragraph shall not be construed as an obligation on the part of the Declarant to mow, clear, cut or prune any lot nor to provide garbage or trash removal services.

Section 18: Regulations. Reasonable regulations governing the use of the Common Area and external appearance of all structures erected on the Lots may be made and amended from time to time by the Board of Directors of the Association; provided, however that all such regulations and amendments thereto shall be approved by a majority vote of the Owners before the same shall become effective. Copies of such regulations and amendments thereto shall be furnished to each Member by the Association upon request.

Section 19: Compliance. In the event that the Owner of any Lot fails to comply with any of the restrictions set forth in this Article or the rules and regulations subsequently promulgated by the Board of Directors, the Association shall have the right, but not the obligation, to enter any Lot and undertake any necessary action in order to cure such Owner's default. All expense and costs incurred by the Association incurring such default shall be charged to the defaulting Owner and shall be payable by such Owner to the Association immediately upon demand. Furthermore, said default shall constitute a personal obligation of the Owner of the Lot, and also a continuing lien upon the Lot.

ARTICLE VIII SPECIAL RESTRICTION AFFECTING COMMON AREA

Section 1: Purpose. It shall be the intent and purpose of these restrictions and covenants to maintain and enhance the Common Area, to afford and enhance recreation opportunities, and to implement generally the master plan for development.

Section 2: Declarant's Right to Protect Land. The Declarant shall have the right to protect the Common Area from erosion by planting trees, plants and shrubs where and to the extent necessary or by such mechanical means as bulkheading, or other means deemed expedient or necessary by Declarant. The right is likewise reserved to the Declarant to take necessary steps to provide and insure adequate drainage ways in the Common Area.

Section 3: Declarant's Right of Entry. The Declarant reserves unto itself, its successors and assigns the right to go on, over and under the ground to erect, maintain and use electric and telephone poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public conveniences or utilities in the Common Area. These reservations and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. The Declarant further reserves the right to locate wells, pumping station, sewage treatment facilities and tanks within the Common Area. Such rights may be exercised by any licensee of the Declarant, but this reservation shall not be considered an obligation of the Declarant to provide or maintain any such utility or service.

Section 4: Prohibition Against Dumping. No dumping of trash, garbage, sewage, sawdust shall occur and no unsightly or offensive material shall be placed upon the Common Area, except as is temporary and incidental to the bona fide improvement of the area in a manner consistent with its classification as Common Area.

Section 5: No Public Rights. The establishment of the Common Area does in no way grant to the public or to the owners of any surrounding or adjacent land, the right to enter such Common Area without the express permission of the Declarant.

Section 6: Rights Reserved By Declarant. The Declarant expressly reserves to itself, its successors and assigns, every reasonable use and enjoyment of said Common Area, in a manner not inconsistent with the provisions of this Declaration.

Section 7: Limitation of Declarant's Obligations. It is expressly understood and agreed that the establishment of the Common Area or the declaration of these Special Restrictions does in no way place a burden of affirmative action on the Declarant that the Declarant is not bound to make any of the improvements noted herein, or extend to the grantee any service of any kind.

Section 8: Declarant's Actions Permissive. Where the Declarant is permitted by these covenants to correct, repair, clean, preserve, clear out or do any action on the restricted property, entering the property and taking such action shall not be deemed a breach of these covenants.

Section 9: Dedication of Public Roads. Declarant reserves the right, at any time, to offer for dedication any or all of the roads designated on the Map as "public" to the Town of Mooresville or the North Carolina Division of Highways for acceptance of said road or roads into the State Highway System.

ARTICLE IX EASEMENTS

Section 1: Easements Reserved by Declarant. Declarant reserves easements for the installation and maintenance of drive- ways, walkways, parking areas, telephone and electric power lines, cable television lines, water and sewer (sanitary and storm) lines, and the Common Area. Each Owner, by his acceptance of a deed for a Lot, and the Association by its acceptance of a deed to the Common Area, acknowledge such reservations and the rights of Declarant to transfer such easements to the Association. The easements reserved by the Declarant include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any similar action reasonably necessary to provide economical utility installation and to maintain the overall appearance of the Development.

Within any such easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation of utilities, or which may change the direction or flow of drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements.

ARTICLE X GENERAL PROVISIONS

Section 1: Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2: Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3: Amendment. The covenants and restrictions of this Declaration shall run with and bind the land until December 31, 2015, after which time they shall be automatically extended for successive periods of ten (10) years. Until such time as the Declarant has conveyed all lots subject to this Declaration, this Declaration (except as set forth to the contrary in Article IV, Section 3) may be amended by an instrument signed by Mooresville Development, LLC, and three of the following named parties: Malcolm P. Nodine, Peter N. Kastanas, Robert P. Rudisill and James Larry Morrow. After the conveyance of all lots subject to this Declaration by the Declarant, this Declaration may be amended by an instrument signed by the owners of not less than sixty-six and two-thirds percent (66 2/3%) of the Lots.

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

MOORESVILLE DEVELOPMENT, LLC

By: 
Manager

BOOK 1514
PAGES 403 - 406

Iredell County, NC
Recorded 12/30/2003 10:59:32am
No 0999-00193011 1 of 4 pages
Brenda D. Bell, Register of Deeds

STATE OF NORTH CAROLINA

COUNTY OF IREDELL

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR THE WOODLANDS**

4

DRAWN BY:

Out of State

MAIL AFTER RECORDING TO:

Cheryl D. Steele, Esq.
Horack Talley Pharr & Lowndes, P.A.
301 South College Street, Ste. 2600
Charlotte, North Carolina 28202-6038

11807100-6666 0999-00193011

ORIGINAL RECORDED
WITH COVER SHEET

STATE OF NORTH CAROLINA
COUNTY OF IREDELL

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR THE WOODLANDS**

THIS FIRST AMENDMENT to Declaration of Covenants, Conditions, and Restrictions for the Woodlands is made as of the 14th day of November, 2003 by MOORESVILLE DEVELOPMENT, LLC, a North Carolina limited liability company, hereinafter referred to as the "Declarant" and ROBERT P. RUDISILL.

RECITALS:

A. **WHEREAS**, on May 14, 1996, Declarant recorded the Declaration of Covenants, Conditions, and Restrictions for the Woodlands in Book 983 at Page 1744, et seq. in the Iredell County Public Registry as amended and supplemented from time to time (hereinafter referred to as the "Declaration");

B. **WHEREAS**, pursuant to the terms of Article X Section 3 of the Declaration, until such time as Declarant has conveyed all lots subject to the Declaration, the Declaration may be amended by an instrument signed by Mooresville Development, Inc., and three of the following named parties: Malcolm P. Nodine, Peter N. Kastanas, Robert P. Rudisill and James Larry Morrow.

C. **WHEREAS**, Malcolm P. Nodine, Peter N. Kastanas and James Larry Morrow are no longer Owners of the Property, are no longer building homes within the Property and are unwilling to be involved with the Property, the Declaration or the Association; and

D. **WHEREAS**, this First Amendment will not materially and adversely affect the substantive rights of any Owner or adversely affect title to any Lot without the consent of the affected Owner; and

E. **WHEREAS**, Declarant desires to amend Article X Section 3 of the Declaration and Article VI Section 3(b) of the Declaration to reserve the right to the Declarant to reduce the setback requirements herein a maximum of twelve and one-half percent (12.5 %), if the nature of the dwelling or the property so requires.

NOW, THEREFORE, Declarant and Robert P. Rudisill hereby agree as follows:

1. Article VI Section 3(b) of the Declaration shall be amended to grant Declarant the right to reduce the setback requirements herein a maximum of twelve and one-half percent (12.5%) if the nature of the dwelling or the property so requires.
2. Article X Section 3 of the Declaration shall be amended as follows:
 - A. The Declaration may be amended by an instrument signed by Declarant without the joinder of any other party.
 - B. The joinder of Malcolm P. Nodine, Peter N. Kastanas and James Larry Morrow is deleted as a requirement to amend the Declaration.
3. Except as amended above, the Declaration shall be in full force and effect.
4. Declarant, as an officer of The Woodlands Homeowners Association, Inc., certifies that this First Amendment has been correctly adopted in accordance with the provisions of the Declaration.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment to Declaration as of the year first above written.

MOORESVILLE DEVELOPMENT, LLC

By: [Signature]
Mark Bozzone

STATE OF Pennsylvania
COUNTY OF Allegheny

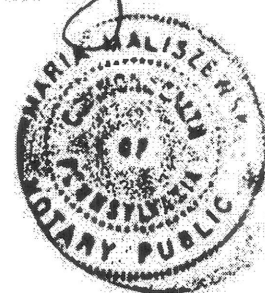
This 14 day of November, 2003, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came Mark Bozzone, who, being duly sworn, says that he is the Managing Member of Mooresville Development, LLC, and that he signed said instrument on behalf of said company by its authority duly given.

WITNESS my hand and notarial stamp or seal this 14 day of November, 2003.

[Signature]
Notary Public

My Commission Expires: Sept. 24, 2005

Notarial Seal
Maria Maliszewski, Notary Public
O'Hara Twp., Allegheny County
My Commission Expires Sept. 24, 2005
Member, Pennsylvania Association of Notaries
Page 2 of 3



IN WITNESS WHEREOF, the undersigned have executed this First Amendment to Declaration as of the year first above written.

Robert P. Rudisill (SEAL)
Robert P. Rudisill

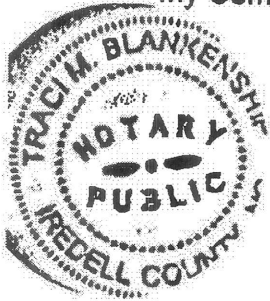
STATE OF NC
COUNTY OF Iredell

I, Traci M. Blankenship, a notary public of Iredell County, State of NC, certify that Robert P. Rudisill personally appeared before me this day, and being duly sworn and in my presence signed the foregoing instrument.

WITNESS my hand and official seal, this the 16 day of Dec., 2003.

Traci M. Blankenship
Notary Public

My Commission Expires: 8/2/04



NORTH CAROLINA
IREDELL COUNTY

THE CERTIFICATE OF:
Meria Majzrowski
Traci M. Blankenship
IS CERTIFIED TO BE CORRECT.

BRENDA D. BELL, REGISTER OF DEEDS
BY: Brenda D. Bell
ASST./DEPUTY



Doc ID: 009189360003 Type: CRP
 Recorded: 05/18/2005 at 03:16:37 PM
 Fee Amt: \$20.00 Page 1 of 3
 Iredell County, NC
 Brenda D. Bell Register of Deeds
 BK 1646 PG 1521-1523

STATE OF NORTH CAROLINA
 COUNTY OF IREDELL

3
 Drawn by/return to: Michael S. Hunter
 Horack-Talley
 2600 One Wachovia Center
 301 S. College St.
 Charlotte, NC 28202-6038

**SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS,
 AND RESTRICTIONS FOR THE WOODLANDS**

THIS SECOND AMENDMENT to the Declaration of Covenants, Conditions, and Restrictions for the Woodlands is made as of the 10th day of May, 2005 by MOOREVILLE DEVELOPMENT, LLC, a North Carolina limited liability company, hereinafter referred to as the "Declarant".

RECITALS:

- A. On May 14, 1996, Declarant recorded the Declaration of Covenants, Conditions, and Restrictions for the Woodlands in Book 983 at Page 1744, et seq. in the Iredell County Public Registry (hereinafter referred to as the "Declaration");
- B. The First Amendment to the Declaration was recorded on December 30, 2003 in Book 1514 at Page 403. This Amendment reduced the number of parties whose consent was required to adopt further Amendments to the Declaration for as long as Declarant owned any lots subject to the covenants contained in the Declaration.
- C. Declarant, in exercise of its rights to amend the Declaration pursuant to Article X, Section 3, as previously amended, desires to adopt this Second Amendment for the purposes set forth below.

NOW, THEREFORE, Declarant does hereby certify the due and proper adoption of the following amendments to the Declaration of Restrictive Covenants for The Woodlands:

1. A new "Section 2" is hereby added to Article II, which shall read as follows: "Section 2, N.C. Planned Community Act. Chapter 47F of the North Carolina General Statutes, the Act, shall apply to this community."

2. Article VI, Section 3(d) is deleted in its entirety, and replaced by the following Section 3(d):

"Section 3(d) Unless specifically otherwise approved in writing by the Committee, all structures constructed or placed on any Lot shall be built of substantially new materials and no used structures shall be relocated or placed on any such Lot. No building shall have an exterior surface composed of asbestos siding, perma-stone, exposed concrete block, cinder block, or other similar material. Furthermore, the exterior of all buildings in excess of one-hundred forty-four (144) square feet shall be constructed of seventy-five percent (75%) brick. No more than twenty-five percent (25%) of the structure shall be constructed of stone, wood, horizontal vinyl siding, aluminum lap siding, hardboard or wood siding, stucco or a combination of such materials. All accessory or out-buildings are to be constructed upon a solid foundation faced with brick similar to or complementary to the main dwelling on the Lot. All accessory or out-buildings are to be constructed upon a solid foundation. Additionally, if any portion of the bottom of the structure sits above the surrounding grade of the Lot, it shall be faced with brick similar to or complementary to the main dwelling on the Lot."

3. Article VII, Section 13 is amended by deleting the last sentence thereof.

4. Article X (General Provisions) Section 1 (Enforcement) is deleted in its entirety, and replaced by the following Section 1 in lieu thereof:

"Section 1, Enforcement. The Association, acting through its Board of Directors or through an adjudicatory panel appointed by the Board, shall have the authority to assess fines against, or suspend rights to use of the Common Area of, any Owner found to have violated any provision of this Declaration or the By-Laws of the Association. The Owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred fifty dollars (\$150.00), or such other amount as may be allowed by N.C.G.S. Chapter 47F, as later amended, may be imposed for the violation and, without further hearing, for each day after the decision that the violation occurs or continues. Such fines, together with the Association's costs and attorneys fees, shall be assessments secured by liens under G.S. §47F-3-116.

Enforcement of the provisions of the Declaration may also be by proceedings at law or in equity to restrain violation or to recover damages against any person or persons violating or attempting to violate any covenant contained herein. In the event that the Association or an Owner employs an attorney to assist it with the enforcement any covenant of this Declaration, or for breach of any covenant or condition herein contained, it/they will be entitled to recover against the defaulting owner its/their reasonable attorney's fees. The Association's election to pursue one remedy to address covenant violations over another remedy shall not be deemed to be a waiver of its right to pursue all other available remedies.

5. Except as amended above, the Declaration shall be in full force and effect.

6. Declarant certifies that this Second Amendment has been correctly adopted in accordance with the provisions of the Declaration as amended.

IN WITNESS WHEREOF, the undersigned has executed this Second Amendment to the Declaration as of the year first above written.

MOORESVILLE DEVELOPMENT, LLC

By: *Mark G. Bozzone*
_____, ^{President}
Managing Member

~~STATE OF NORTH CAROLINA~~
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF ALLEGHENY

This 10th day of May, 2005, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came Mark G. Bozzone, who, being duly sworn, says that he is ^{Managing Member} ~~President~~ of Mooresville Development, LLC, and that he signed said instrument on behalf of said company by its authority duly given.

WITNESS my hand and notarial stamp or seal this 10th day of May, 2005.

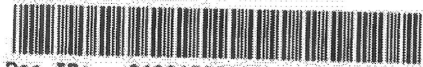
Debra A. Coco

Notary Public

NORTH CAROLINA IREDELL COUNTY
The certificate of: *Debra A. Coco*

is certified to be correct by: *Margaret L. Sprinkle* ASST./Deputy
Brenda D. Bell, Register of Deeds

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Debra A. Coco, Notary Public
Aspinwall Boro, Allegheny County
My Commission Expires Mar. 5, 2009
Member, Pennsylvania Association of Notaries



Doc ID: 010045650003 Type: CRP
 Recorded: 06/01/2006 at 10:05:20 AM
 Fee Amt: \$20.00 Page 1 of 3
 Iredell County, NC
 Brenda D. Bell Register of Deeds

BK 1752 PG 1258-1260

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STATE OF NORTH CAROLINA

 COUNTY OF IREDELL

Drawn by/return to: Michael S. Hunter
 Horack Talley
 2600 One Wachovia Center
 301 S. College St.
 Charlotte, NC 28202-6038

**THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS,
 AND RESTRICTIONS FOR THE WOODLANDS**

THIS THIRD AMENDMENT to the Declaration of Covenants, Conditions, and Restrictions for the Woodlands is made as of the 22nd day of May, 2006 by MOORESVILLE DEVELOPMENT, LLC, a North Carolina limited liability company, hereinafter referred to as the "Declarant".

RECITALS:

A. On May 14, 1996, Declarant recorded the Declaration of Covenants, Conditions, and Restrictions for the Woodlands in Book 983 at Page 1744, et seq. in the Iredell County Public Registry (hereinafter referred to as the "Declaration");

B. The First Amendment to the Declaration was recorded on December 30, 2003 in Book 1514 at Page 403. This Amendment reduced the number of parties whose consent was required to adopt further Amendments to the Declaration for as long as Declarant owned any lots subject to the covenants contained in the Declaration.

C. The Second Amendment to the Declaration was recorded on May 18, 2005 in Book 1646 at Page 1521. This Amendment made the community subject to the N.C. Planned Community Act; amended a portion of the architectural requirements; and added provisions concerning enforcement of the Restrictive Covenants.

D. Declarant, in exercise of its rights to amend the Declaration pursuant to Article X, Section 3, as previously amended, desires to adopt this Third Amendment for the purposes set forth below.

NOW, THEREFORE, Declarant does hereby certify the due and proper adoption of the following amendment to the Declaration of Restrictive Covenants for The Woodlands: Pursuant to Article IV, Section 4, Declarant hereby surrenders its authority to appoint and remove members of the Board of Directors.

Except as amended above, the Declaration shall be in full force and effect. Declarant certifies that this Third Amendment has been correctly adopted in accordance with the provisions of the Declaration as amended.

IN WITNESS WHEREOF, the undersigned has executed this Third Amendment to the Declaration as of the date first above written.

MOORESVILLE DEVELOPMENT, LLC

By: 
May 22nd, 2006 President

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ALLEGHENY

I, Gretchen H. Gambill, a Notary Public in and for said County and State, do hereby certify that on this 22nd day of May, 2006, Mark G. Bozzone ☉ personally known to me or ☉ proven by satisfactory evidence (said evidence being Drivers License), personally appeared before me and, being by me duly sworn, said that he/she is a manager of Mooresville Development, LLC, North Carolina limited liability company, that the statements contained in the foregoing instrument are true, and

he/she voluntarily acknowledged said instrument, for the purposes therein, to be the duly authorized act and deed of said company.

WITNESS my hand and notarial stamp or seal.

Gretchen H. Gambill, Notary Public

Gretchen H. Gambill
[Notary Typed Name]

My Commission Expires: Oct 27th 2009

