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DECLARATION
 OF
 COVENANTS, CONDITIONS AND RESTRICTIONS
 FOR
 WEST LEE TOWNHOMES OF YADKINVILLE, PHASE I

THIS DECLARATION, made and entered into this the 17 day of March, 2022, hereinafter set forth by JARVIS-KENNEDY CUSTOM HOMES, LLC, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Town of Yadkinville County of Yadkin, State of North Carolina, which is more particularly described as PIN #'s 5807612017 and 580719611297 located on W. Lee Avenue, Yadkinville, North Carolina, Plat Book 13, page 174, Yadkin County Registry, and in future plats to be recorded.

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

ARTICLE I DEFINITIONS

SECTION 1. "Association" shall mean WEST LEE TOWNHOMES OWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation, its successors and assigns, said corporation to be organized and formed prior to the conveyance by Declarant of any Unit as shown on the recorded plat.

SECTION 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities of a fee simple title to any Planned Unit which is a part of the properties,

including contract seller, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 3. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

SECTION 4. "Common Area" shall mean all real property owned by the Association and/or WEST LEE TOWNHOMES OWNERS' ASSOCIATION, INC., for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Planned Unit is described as follows:

All that land designated "Common Area" as shown on the plat entitled "West Lee Townhomes of Yadkinville, Phase I" which appears of record in the Office of the Register of Deeds of Yadkin County, North Carolina in Plat Book 13, Page 174.

SECTION 5. "Member" shall mean and refer to every person or entity that holds membership in the Association.

SECTION 6. "Declarant" shall mean and refer to JARVIS-KENNEDY CUSTOM HOMES, LLC.

SECTION 7. "Planned Unit" shall mean and refer to any numbered Planned Unit shown upon any recorded subdivision map of the Properties with the exception of the Common Area, and dedicated street.

ARTICLE II

PROPERTY RIGHTS

SECTION 1. OWNER'S EASEMENT OF ENJOYMENT. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Planned Unit, subject to the following provisions:

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

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

(c) The right of the Association to grant easement and rights-of-way, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility (including

any entity authorized in Yadkin County or the Town of Yadkinville to supply cable television service, telephone service, water and sewer service, and electricity) for such purposes and subject to such conditions as may be agreed to by a majority of the Members at duly authorized meeting.

;

(d) The right of the Association to impose regulation for the use and enjoyment of the Common Area and improvement thereon, which regulation may further restrict the use of the Common Area and specifically including the right to make permanent and temporary assignments of parking spaces and to establish regulations concerning the use thereof. These regulations shall not be in conflict with the Town of Yadkinville Development Ordinance and/or approved site plan and zoning regulations for the development.

(e) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities thereon; and to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(f) The right of the Association to exchange portions of Common Area with the Declarant for substantially equal area of the Properties for the purpose of eliminating unintentional encroachments of improvement onto portions of the Common Areas.

SECTION 2. DELEGATION OF USE. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment of the Common Area and Facilities to the members of his family, his tenants or contract purchasers who reside on the property.

SECTION 3. OWNER'S DRIVEWAY EASEMENT. Each Owner of a Planned Unit shall have the right, subject to the rights of the Association set forth in this Declaration, to use of the driveway associated with and serving its Planned Unit for the purpose of parking only. Such easement will be exclusive of all other Owners except those whose Planned Units are also immediately adjacent to and serviced by said driveways.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Every Owner of a Planned Unit which is subject to a lien for assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Planned Unit which is subject to assessment.

SECTION 2. The Association shall have two classes of voting membership.

Class A. Class Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Planned Unit owned. When more than one person holds an interest in any Planned Unit, all such persons shall be Members. The vote or votes for

such Planned Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Planned Unit.

Class B. The Class B Member shall be the Declarant and shall be entitled to three (3) votes for each Planned Unit owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;

SECTION 3. Representation of Declarant on Board of Directors.

Notwithstanding any other provisions of this Declaration, the Declarant shall have the right to designate and select a majority of the Board of Directors of the Association through December 31, 2023. Declarant shall have the right to remove any persons selected by it and to replace such persons with other persons to act and serve in their place for the remainder of the unexpired term or any Directors so removed. Any director designated and selected by Declarant need not be the Owner of a Planned Unit in West Lee Townhomes Planned Units. Any party chosen by Declarant to serve on the Board of Directors shall not be required to disqualify himself from any vote on any contract or matter between Declarant and the Association where Declarant may have a pecuniary or other interest. Neither shall the Declarant be required to disqualify itself upon any contract or matter between itself and the Association where the Declarant may have a pecuniary or other interest.

ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS.

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS

The Declarant, for each Planned Unit owned within the properties, hereby covenants, and each Owner of any Planned Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association; (1) annual assessment or charges; (2) special assessment for capital improvement, such assessment to be established and collected as hereinafter provided; and, (3) to the appropriated governmental taxing authority: (a) a pro rata share of ad valorem taxes levied against the Common Area; and , (b) a pro rata share of assessments for public improvement to or for the benefit of the Common Area if the Association shall default in the payment of either or both for a period of six (6) months, all as hereinafter provided. The annual and special assessment, together with interest, costs, reasonable late penalty, and reasonable attorney's fee, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, reasonable late penalty and reasonable attorney fees, shall also be the personal obligation of the person who was the Owner of such property at

the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

SECTION 2. PURPOSE OF ASSESSMENTS

(a) the Assessments levied by the Association shall be used exclusively for public capital improvements to or for the safety and welfare of the residents of the Properties and in particular for the acquisition, improvement and maintenance of properties, services, and facilities, (including a reasonable provision for contingencies and replacement) devoted to this purpose and related to the maintenance requirements of the Association or for the use and enjoyment of the Common Area, including but not limited to the cost of repairs, replacement and addition, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the payment of charges for garbage collection service to the Properties, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

(b) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid unto the Association by any Planned Unit owner, the same may be comingled with monies paid to the Association by the other Planned Unit Owner. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest herein, except as an appurtenance to his Planned Unit. When a Planned Unit Owner shall cease to be a member of the Association by reason of his divestment of ownership of his Planned Unit, by whatever means, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, of which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute as assets of the Association which may be used in the operation and management of the Properties.

SECTION 3. MAXIMUM ANNUAL ASSESSMENT

Until January 1 of the year immediately following the conveyance of the first Planned Unit to an owner, the maximum annual assessment shall be \$900.00 annually. The first annual assessment shall be due upon the conveyance of a Unit to an owner and shall be prorated for the year in which the conveyance occurs

(a) From and after January 1 of the year immediately following the conveyance of the first Planned Unit to an owner, the maximum annual assessment may be increased each year not

more than 15% above the maximum assets for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Planned Unit to an owner, the maximum annual assessment may be increased above 15% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, subject to the provisions of Section 6 of this Article.

SECTION 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS

In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment applicable to that year only for the purpose of defraying in whole or in part the costs of any construction, reconstruction, or repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Planned Units and may be collected on a monthly basis.

SECTION 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 3 AND 4

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

SECTION 6. RATE OF ASSESSMENT

Subject to the terms of Article VI hereinafter, both annual and special assessments must be fixed at a uniform rate for all Planned Units and may be collected on a monthly basis or annual basis as the Board may determine.

SECTION 7. DATE AND COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES.

The annual assessment provided for herein shall commence as to each Planned Unit on the day each Unit is conveyed by Declarant to a third-party Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment to every owner subject thereto. The due dates shall be established by the Board of Directors. The association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Planned Unit have been paid.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION.

Any assessment not paid within thirty (30) days after the due date shall result in a late payment penalty of Twenty and No/100 Dollars (\$20.00) which shall be immediately due and payable by the Owner failing to have made the assessment payment as scheduled. Said Twenty and No/100 Dollars (\$20.00) penalty may be increased prospectively by the Board of Directors at its regular annual meeting. The Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of North Carolina for the foreclosures of Deed of Trust, and interest, costs, reasonable late penalty, and reasonable attorney's fee for representation of the Association in such action or foreclosure shall be added to the amount of such assessment provided for herein by non-use of the common area of abandonment of his Planned Unit nor shall damage to or destruction of any improvements on any Planned Unit by fire or other casualty result in any abatement of diminution of assessments provided for herein.

SECTION 9. EFFECT OF DEFAULT IN PAYMENT OF AD VALOREM TAXES OR ASSESSMENT FOR PUBLIC IMPROVEMENTS BY ASSOCIATION.

Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or assessment for public improvement to or for the benefit of the Common Area, which default shall continue for a period of six (6) months, each Owner of a Planned Unit in the development shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Planned Units in the development. If such sum is not paid by the owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Planned Unit of the Owner, its heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Planned Unit of the Owner.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES

The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Planned Unit shall not affect the assessment lien or liens provided for in the preceding sections. However, the sale or transfer of any Planned Unit which is subject to any such bona fide first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessment as to the payment thereof which becomes due prior to such sale of transfer. No such sale or transfer shall relieve such Planned Unit from liability for any assessment thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

SECTION 11. EXEMPT PROPERTY.

All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the law of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use, regardless of ownership, shall be exempt from said assessments.

SECTION 12. MAINTENANCE OBLIGATIONS OF OWNER

Each owner is required to maintain and repair those portions of the exterior which are specifically excluded from the obligations of the Association pursuant to article VI hereinafter. In addition, each Owner shall, at the Owner's expense, keep the interior of the improvements located on his Planned Unit and its equipment and appurtenances associated therewith in good order, condition, and repair and in a clean, sanitary, and sightly condition. In addition, the Owner shall be responsible for the maintenance, repair, or replacement of any defective plumbing, water heaters, heating equipment, air conditioning equipment, and lighting fixtures located on its Planned Unit.

ARTICLE V ARCHITECTURAL CONTROL

SECTION 1. THE ARCHITECTURAL CONTROL COMMITTEE

An Architectural Control Committee consisting of three (3) or more persons shall be appointed by the Class B member. When the Class B membership expires, the Board of Directors of the Association shall appoint a new committee of three or more members.

SECTION 2. PURPOSE

The Architectural Control Committee shall regulate the external design, appearance, use, location, and maintenance of the Properties and of improvements thereon in such a manner so as

to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. To that end, no improvements, alterations, repairs, change of paint colors, planting, excavations, changes in grade or other work which in any way alters the exterior of any Planned Unit or the improvements located thereon from its natural or improved state existing on the date such Planned Unit was first conveyed in fee by the Declarant to an owner shall be made or done without the prior written approval of the Architectural Control Committee. No building, fence, wall, residence, or other structure shall be commenced, erected, maintained or improved, altered, removed, made or done without the prior written approval of the Architectural Control Committee. In addition, no shrubs, trees, or other plants shall be planted, altered, or removed without the prior written approval of the Architectural Control Committee. However, the Architectural Control Committee may adopt general guidelines for the Planned Unit Owners in a procedure to eliminate the need for the review of minor alterations to the landscape.

SECTION 3. PROCEDURE

Any owner desiring to make any such improvement, alteration or change described herein above shall submit the plans and specifications therefor, showing the nature, kind, shape, height, materials and location of the same, to the Architectural Control Committee which shall evaluate such plans and specifications pursuant to the purposes of the Article as specified herein above. In the event the committee fails to approve, modify, or disapprove in writing an application within forty-five (45) days after plans and specifications have been submitted to it, approval will not be required and the Article will be deemed to have been fully complied with. The applicant may appeal an adverse Architectural Control Committee decision to the Board of Directors of the Association which may reverse or modify such decision by a two-thirds (2/3) vote of the Directors.

As a condition to granting of approval of any request made under this Article, the Architectural Control committee may require that the Owner requesting such change be liable for any cost of maintaining or repairing the approved project. If such condition is imposed, the owner shall evidence his consent thereto by a written document in recordable form satisfactory to the Architectural Control Committee. Thereafter, the owner, and any subsequent Owner of the Planned Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree that any cost of maintenance and repair of such improvement shall be a part of the annual assessment or charge set forth in Article IV, Section 1, and subject to the lien rights described in said Article IV.

ARTICLE VI EXTERIOR MAINTENANCE

Subject to the terms of Article V entitled "Architectural Control," each Owner shall be responsible for the exterior maintenance of the dwelling, walls, fences, patios, railings, windows, steps or any other superstructure located on the respective owner's Planned Unit. The plantings, landscaping and general ground encompassing the vegetation on the Planned Unit, shall be

maintained by the Association. In order to enable the Association to accomplish the foregoing, it is hereby reserved to the Association the right to unobstructed access over and upon the grounds immediately adjacent to each Planned Unit at reasonable time to perform the maintenance of these grounds. In the event any Planned Unit owner wishes to provide any exceptional plantings or gardens on their respective Planned Units which would in the sole opinion of the Board of Directors of the Association require excessive expense on the part of the Association to maintain, the Board of Directors of the Association may do any one of the following subject to their sole discretion: 1) prohibit the implementation of such plans by the Planned Unit Owner; 2) charge the owner a special assessment to cover the added expense of the owner's proposed plan; or 3) require the Planned Unit owner to maintain his entire Planned Unit grounds to a standard of care at least as high as that for the remaining Planned Units in the Association. Should either of the latter two options be pursued and should the Planned Unit Owner fail to meet his obligations there under, the board may require the restoration of the ground in a style of conformity with the remaining Planned Units being maintained by the Association. Any expense incurred by the Association in connection with such restoration will be treated as a special assessment of such Planned Unit Owner. In the event that the need for maintenance, repair or replacements caused through the willful or negligent act of the Owner, his family, guests or invites, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles and smoke, as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage insurance policies, the cost of such maintenance, replacement or repairs shall be added to and become a part of the assessment to which such Planned Unit is subject.

ARTICLE VII USE RESTRICTIONS

Use and Occupancy. The Association shall make Rules and Regulations to govern the use and occupancy of the Subdivision. In addition, the following covenants, conditions, and restrictions, as to use and occupancy shall run with the land and shall be binding upon each Unit Owner, his heirs, tenants, licensees and assigns.

Purpose of Subdivision. Except as otherwise provided in this Declaration, no part of the Subdivision shall be used for any purpose other than residential purposes, unless the Board of Directors authorizes some other use. Except for the construction, sales and management activities of the Declarant, no business, trade, industry, occupation or profession of any kind, whether for profit or not for profit, may be conducted, maintained, or permitted on any part of the Subdivision property. To the extent permitted by law, an Owner may use a portion of his or her Dwelling Unit for an office or studio (other than a music and/or dance studio) provided that the activities conducted therein shall not interfere with the quiet enjoyment or comfort of any other owner or occupant; and provided further that such activities do not increase the normal flow of traffic or individuals in and out of the Subdivision or in and out of said Owner's Lot.

Parking and Use of Roads. Except for vehicles being used by persons providing services to the Declarant, the Association, the Unit Owners or otherwise used or authorized to be used at the Subdivision by the Declarant, no part of the Subdivision may be used for the parking of any

trailer coach, house trailer, mobile home, automobile trailer, motorcycle, camp car, recreational vehicle, camper, truck which exceeds 3/4 ton, boat, boat trailer, or any vehicle with letters or other markings over four inches tall or wide, or any other similar vehicle (collectively, "Special Vehicles"), unless such Special Vehicles are parked in the garage of the Unit Owner who owns such Special Vehicle and the garage door of such Unit Owner is completely closed at all times when a Special Vehicle is parked therein. Inoperative vehicles may not be parked within the Subdivision unless these inoperative vehicles are parked in the garage and the garage door is completely closed. Vehicles, whether owned by a Unit Owner or not, parked in violation of any part of this Declaration or in violation of any Rules or Regulations, shall be towed away and stored at the Owner's risk and expense. By parking in the Subdivision, the Owner of the vehicle or other vehicle user hereby waives any claim against the Association resulting directly or indirectly out of the towing, unless the towing can be shown beyond a reasonable doubt to have been done maliciously by the Association. Note that the Association is not obliged to try to determine the owner of a vehicle and first give notice, before towing the vehicle.

Nuisances. No noxious or offensive activity shall be carried on or in the Common Areas or on the Unit of an Owner, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants. The discharge of a firearm and the setting off of firecrackers or fireworks within the Subdivision is specifically prohibited without the express consent of the Association.

Prohibited Activities. Except as otherwise provided in this Declaration, no business, trade, industry, occupation or profession of any kind, whether for profit or not for profit, shall be conducted, maintained or permitted on any part of the Subdivision. A Lot Owner or his authorized real estate agent is permitted to place and maintain a standard "For Sale" or "For Rent" sign only in the yard of his Dwelling Unit; provided, however that it is of a typical size within the industry or within an area expressly permitted by the Board of Directors. No other sign that is visible from the outside of Dwelling Units may be placed on any part of the Subdivision except as expressly permitted by the Board of Directors. Declarant and/or the Board shall have the right to immediately remove and dispose of those items in violation of this Declaration. A Lot Owner must obtain the prior written consent of the Board of Directors in the event a Lot Owner desires to maintain a "For Sale" or "For Rent" sign which is not of a typical size within the industry, or desires to maintain other displays or advertising, unless otherwise provided for under the Rules and Regulations.

So long as the Declarant owns a Lot no action may be taken nor may any Rule or Regulation be adopted or amended that would (a) directly or indirectly alter the exterior appearance of any part of the Subdivision; (b) reduce or discontinue any maintenance standard or practice in effect as of the date when the Declarant no longer controls the Board; (c) adversely affect the Declarant's sale of any Lots; or (d) otherwise adversely affect the Declarant, any of its rights, or any Unit owned by it without, in each case, first obtaining the Declarant's written consent.

Trash Disposal. Each Unit Owner shall deposit all trash, garbage, or other rubbish by as directed and instructed by the Board. Unit Owners shall keep trash containers at all times in each Unit Owner's garage (if applicable), or in such other location as designated by the Board, except on the days which trash, garbage, or other rubbish is collected by the local waste removal authorities. Any trash containers placed outside by the Unit Owners in the location designated for collection by the local waste removal authorities shall only remain in such location for a period not to exceed twenty-four (24) hours. The Board shall have the right to dispose of any trash, garbage, or other rubbish of a Unit Owner in violation of this Article VII, and may assess the Unit Owner for the cost of such removal, which amount shall be payable on the date the next installment of the regular assessment is due.

Nondiscrimination. No owner (including the Declarant), or any employee, agent or representative thereof, shall discriminate upon the basis of sex, race, age, color, creed or national origin in the sale, lease or rental of any Lot nor in the use of the Common Areas.

SECTION 4. ANIMALS

No animals, livestock or poultry of any kind shall be kept or maintained on any Planned Unit or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and further provided that they are kept and maintained in compliance with (i) all laws and ordinances of the State of North Carolina and the Town of Yadkinville or its successors, relating thereto; and (ii) such rules and regulations pertaining thereto as the Board of Directors may adopt from time to time. No animal shall be kept outside the confines of the improvements located on the Owner's Planned Unit (which shall include screened in porches) unattended by the Owner or other occupants as approved by Article VII entitled "Use Restrictions" if said animals bark or create other offensive sounds so as to disturb the peaceful enjoyment of the Owner's neighbors.

SECTION 5. EXTERIOR ANTENNAS

No outside radio or television antennas shall be erected on any Planned Unit or dwelling within the properties unless and until permission for the same has been granted by the Board of Directors of the Association or its Architectural Control Committee

SECTION 6. BOATS, TRAILERS, AND CERTAIN MOTOR VEHICLES

No boats, buses, trailer, campers, or recreational vehicles shall be parked on any Planned Unit or on the Common Area, provided however, such boats or vehicles may be parked in a garage on a Planned Unit if such boat or vehicle can be fully covered by the garage with the garage door closed.

ARTICLE VIII EASEMENTS

SECTION 1. UTILITIES

Easements for installation and maintenance of utilities (including cable television service) and drainage facilities are reserved as shown in Plat Book 13, Page 174 and as may be shown on an final, as-built plat(s) recorded for each Unit. Within these easements no structures, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the drainage easements, of which may obstruct or retard the flow of water through drainage channels in the easements. An easement is hereby established for the benefit of the Town of Yadkinville and Yadkin County (and any other person or firm providing services to the Properties under agreement with or at the direction of the Association) over all Common Areas as may be reasonably necessary for the setting removal and reading of water meters, and the maintenance and replacement of water, sewer and drainage facilities and for the fighting of fires and collection of garbage. Ongoing maintenance of any on-site stormwater drainage and detention facilities, and any associated surface drainage courses are required to be maintained by the association. Easement provided to allow Town inspection of any structures constructed.

SECTION 2. UNINTENTIONAL ENCROACHMENTS.

In the event that any improvements on a Planned Unit shall encroach upon any Common Area or upon any other Planned Unit for any reason not caused by the purposeful or negligent act of the Owner or against such Owner, then an easement appurtenant to such Planned Unit shall exist for the continuance of such encroachment upon the Common Area or other Planned Unit for so long as such encroachment shall naturally exist; and, in the event that any portion of the Common Area shall encroach upon any Planned Unit, then an easement shall exist for the continuance of such encroachment of the Common Area into any such Planned Unit for so long as such encroachment shall naturally exist.

ARTICLE IX

RIGHT RESERVED UNTO INSTITUTIONAL LENDERS

SECTION 1. ENTITIES CONSTITUTING INSTITUTIONAL LENDER.

“Institutional Lender” as the term is used herein shall mean and refer to bank, savings and loan associations, insurance companies or other firms or entities customarily affording loans secured by first liens on residences.

SECTION 2. OBLIGATION OF ASSOCIATION TO INSTITUTIONAL LENDERS

So long as any Institutional Lender shall hold any first lien upon any Planned Unit, or shall be the Owner of any Planned Unit, such Institutional Lender shall have the following rights:

(a) To inspect the books and records of the Association during normal business hours.

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

(c) To receive notice of any condemnation of the Common Area or any portion thereof.

(d) To have the right to approve of any alienation, release, transfer, hypothecation or other encumbrance of the Common Area, other than those specific rights vested in the Association under Article II hereof.

SECTION 3. REQUIREMENTS OF INSTITUTIONAL LENDER.

Whenever any Institutional Lender desires to avail itself of the provisions of this Article, it shall furnish written notice thereof to the Association by CERTIFIED MAIL at the address shown in the Articles of Incorporation identifying the Planned Unit or Planned Units upon which any such Institutional Lender holds any first lien or identifying and Planned Unit or Planned Units owned by such Institutional Lender and such notice shall designate the place to which notices, reports or information are to be given by the Association to such Institutional Lender.

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 the Declarations, the Articles of Incorporation or By-laws of the Association. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver or the right to do so hereafter. The Association shall have the right to request that law enforcement, public safety and animal control officers come on the properties to facilitate the enforcement of the laws, codes, and ordinances of any governmental authority.

SECTION 2. SEVERABILITY - Invalidation of any one of the covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

SECTION 3. AMENDMENT – The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended with the approval of at least seventy percent (70%) of the Planned Unit Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements as herein provided or affect any lien for the payment thereof established herein. Any amendment must be executed by the duly authorized officers of the Association and such amendment shall affirm that such amendment was made pursuant to the following procedure: 1) that a duly authorized meeting of the Association was held after proper notice of the proposed resolution for amending these Articles was supplied to the Planned Unit Owners; 2) that said meeting was held and that a vote on the said resolution was conducted and that seventy percent (70%) of the owners affirmed such action either at the time of the meeting or by written execution by the Planned Unit Owners and delivered to the officers of the Association within twenty-one (21) days of said meeting. Any amendment must be properly recorded at the Yadkin County Registry.

SECTION 4. ANNEXATION –

(a) Additional residential property and Common Area may be annexed to the Properties with the consent of two-third (2/3) of each class of Members.

(b) Additional land within the area described in the metes and bounds description as shown on Plat Book 13, Page 174 and identified as “Future Development Phase II” on said plat, and incorporated herein by reference, may be annexed by the Declarant without consent of Member within ten (10) years of the date of this instrument.

SECTION 5. MISCELLANEOUS CONDITIONS - The proposed development as shown on Plat Book 13, Page 174 of duplex-style dwellings with common driveways is considered a multifamily development. The conditions listed below are binding on the property and upon all subsequent owners.

(a) As shown on the recorded plat, there are four (4) duplex style Units (total 8 units) served by two common driveways from W. Lee Avenue. Each Unit will be sold individually with the remainder of the site in common area, to be maintained by the homeowners' association.

(b) The stream with its state environmental buffer at the rear of the property will remain undisturbed in the development's common area and maintained as needed by the Association.

(c) All development and improvements shall be in accordance with the development standards established by the Town of Yadkinville, including but not limited to set-back requirements, construction of driveways, landscaping and erection of fences.

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

Jarvis-Kennedy Custom Homes, LLC (Declarant)

By: Mark A. Jarvis
MARK A. JARVIS, Member-Manager

STATE OF NORTH CAROLINA – YADKIN COUNTY

I, Angela W. Campbell, a Notary Public in and for Forsyth County and State of North Carolina, do hereby certify that **MARK A. JARVIS**, Member-Manager of JARVIS-KENNEDY CUSTOM HOMES, LLC, personally appeared before me and acknowledged the due execution of the foregoing instrument for and on behalf of said Corporation.

WITNESS my hand and notarial stamp or seal, this the 17 day of March, 2022.

Angela W. Campbell
NOTARY PUBLIC
Angela W. Campbell

My Commission Expires: _____

Angela W. Campbell
NOTARY PUBLIC
Forsyth County
North Carolina
My Commission Expires February 9, 2027