

Prepared by and file: Horne & Horne, PLLC

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by Cooper Island Development, LLC, a North Carolina limited liability whose address is P.O. Box 606, Greenville, NC 27835, hereinafter referred to as "Successor Declarant".

W I T N E S S E T H:

WHEREAS, the Declarant is in the process of developing a residential subdivision in the City of Greenville, Pitt County, North Carolina, known as "WESTHAVEN SOUTH"; and,

WHEREAS, as a part of such development program, Declarant has impressed the lots in said subdivision and the common property with certain Covenants, Conditions and Restrictions, which appear of record in the Pitt County Registry in Book 2437, Page 875 and By-Laws recorded for Westhaven South Homeowners Association, Inc. in Book 2474, Page 1 in the Pitt County Register of Deeds, and,

WHEREAS, the Declarant elects to impress all of the lands hereinabove described to the identical By-Laws for Westhaven South Homeowners Association as recorded in Book 2474, Page 1 of the Pitt County Registry;

WHEREAS, Declarant is enlarging said subdivision by the addition of adjacent lands, which lands will be identified as "WESTHAVEN SOUTH, SECTION 2, and is more particularly described: Lying and being in the City of Winterville, Pitt County, North Carolina and being more particularly described as follows:

Being all of Lots 22, 23, 24, 25, 26, 27, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 120, 121, 122, 123, 124, 125 and 126 of Westhaven South, Section 2 as shown on that map recorded in Map Book 82, Page 167 of the Pitt County Registry.

NOW, THEREFORE, Declarant hereby impresses all of the lands above described with the identical By-Laws for Westhaven South Homeowners Association as recorded in Book 2474, Page 1 of the Pitt County Registry and hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of same, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Section 1: "Association" shall mean and refer to Westhaven South Homeowners Association, Inc., its successors and assigns.

Section 2: "Builder" shall mean and refer to any persons, firms or entities to whom or which Declarant conveys one or more Lots within the subdivision for the purpose of constructing a Dwelling thereon.

Section 3: "By-Laws" shall mean the By-Laws for Westhaven South Homeowners Association as recorded in Book 2474, Page 1 of the Pitt County Registry.

Section 4: "Declarant" shall mean and refer to Cooper Island Development, LLC, a North Carolina limited liability company, its successors and assigns. It shall also mean and refer to any person, company or entity to whom or which Declarant shall assign or delegate the rights and obligations of Declarant by an assignment of Declarant's rights recorded in the applicable public registry for Pitt County, North Carolina.

Section 5: "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties and shall be known when platted as lots 22, 23, 24, 25, 26, 27, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 120, 121, 122, 123, 124, 125 and 126 of Westhaven South, Section 2 as shown on that map recorded in Map Book 82, Page 167 of the Pitt County Registry.

Section 6: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having an interest in a Lot solely as security for the performance of an obligation.

ARTICLE II

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 Lot, subject to the following provisions:

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

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

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

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

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

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

Class B Lots. Class B Lots shall be all Lots owned by Declarant. Declarant shall each be entitled to exclusive Declarant Control until Declarant no longer owns any Lots within the Property or annexed additional Property. Until the Class B Lots cease to exist, as provided above, Declarant shall be vested with the sole voting rights of the Association on all matters (including election and removal of directors and officers of the Association), except such matters as to which the Declaration, the Articles of Incorporation, or the Bylaws of the Association specifically require a vote of the Class A Members.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1: Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessment or charges for maintenance and electricity on all common areas, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time of the assessment.

Section 2: Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, including but not limited to, landscaping maintenance, the cost of repairs, electricity, replacements and additions, 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 employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3. Basis and Annual Assessments. No assessments shall be made on any Lot until the platted Lot shall have been conveyed by deed. However, it is not the intent of the Declarant to assess any Lot during the construction phase. That is to say the initial conveyance from the Declarant to the first Lot owner who receives a deed from the Declarant shall not pay assessments until the original owner receives a certificate of occupancy. The initial annual assessment shall be \$100.00 per originally platted Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington D.C.) from the preceding month of July.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment for the next succeeding two (2) years may

be increased above that established by the Consumer Price Index formula by a vote of the members, and for each succeeding period of two (2) years thereafter, provided that any such change shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

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 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, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at the meeting duly called for this purpose.

Section 5: Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) per cent 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 requirements, and the required quorum at the subsequent meeting shall be one-half (½) 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: Uniform Rate of Assessment. Except as provided for Class B members, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7: Date of Commencement of Annual Assessments and Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Lot to any owner. However, it is not the intent of the Declarant to assess any Lot during the construction phase. That is to say the initial conveyance from the Declarant to the first Lot owner who receives a deed from the Declarant shall not pay assessments until the original owner receives a certificate of occupancy. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessments against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies. An assessment not paid within ten (10) days after the due date shall incur such late charge as the Board of Directors may from time to time establish, and, if not paid within thirty (30) days after the due date, shall also bear interest from the due date at the rate of eighteen percent (18%) per annum or the highest rate allowed by law, whichever is less. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same and/or foreclose the lien against the Lot for which such assessment is due subject to §47F-3-116 of the Act, as amended. Interest, late payment charges, reasonable attorneys' fees, and the costs of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first mortgage on a Lot. Sale or transfer of a Lot shall not affect any assessment lien; however, the sale or transfer of a Lot pursuant to foreclosure of a first mortgage, or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of any assessment which became due prior to the date of such conveyance. No such sale or transfer shall relieve such Lot 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.

Section 10: Exempt Property. All property dedicated to and accepted by, a local authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina, shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V USE RESTRICTIONS

Section 1: Use. No lot shall be used except for residential purposes. No lot shall be subdivided by any Owner except by Declarant's written permission. No structure shall be erected, placed or permitted to remain on any lot other than one detached single family dwelling not to exceed three stories in height, exclusive of basement, one detached structure not exceeding one and one-half (1.5) stories in height, to be used as a private garage for not more than two (2) vehicles and one (1) non-detached outbuilding constructed and used incidental to the residential use of the property.

Section 2: No commercial use. The purpose herein described shall be used for residential purposes only and no business or commercial enterprise may be carried on upon the premises.

Section 3: Plan approval. No site preparation or initial construction, erection or installation of any improvement, including, but not limited to, dwelling units, outbuildings, driveways, fences, walls, signs, mailboxes or other structures shall be undertaken upon any lot or parcel of land in this subdivision without the prior approval of the building plans, exterior paint or color schemes and exterior materials by the Declarant or its successors or designees. A detailed landscaping plan must be approved by the Declarant or its successors or designees. All landscaping plans shall reflect and include a minimum of one (1) tree at least six feet in height to be planted in the front yard area and shrubbery covering the entire front elevation of the structure.

Landscaping is to be completed by the time of occupancy, unless an extension is given by the designee. A detailed plan of the outside elevation is to be signed by the designee prior to construction. All driveways must be constructed of concrete or concrete type materials. It is the intent of the parties that all exteriors of the structures shall be harmonious with all of the other structures in the subdivision. Nor shall any structure of any type be started on any of the above-described lots until a plot plan showing the location of such structure have been approved by the Declarant or its successors or designees. Such approval in both events must be in writing. If no approval or rejection has been given for such planned use or for such plans which have been deposited or delivered to the Declarant, its successors or designees within thirty (30) days after written application, the plan shall be deemed to have been approved.

Section 4: Any residence constructed on a lot must have a minimum square footage, more specifically described as heated living area, exclusive of one-story open porches, garage and basements, of not less than One Thousand Six Hundred (1,600) square feet.

Section 5: Structure Type: No mobile home, pre-fab, modular home, package home or other pre-built home shall be placed on any lot to be used as a residence. Any residence built on any lot shall be "stick built" except that pre-fabricated roof trusses and pre-fabricated fireplaces and chimneys may be utilized in a residence built on any lot.

Section 6: Setbacks. No buildings shall be located on any residential building plot nearer to any lot line than as allowed under the recorded plat of the subdivision.

Section 7: Nuisance. No noxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. Owners and their invited guests shall refrain from playing loud music from any source whereas to disturb any other owner or their invited guests.

Section 8: Temporary structures. No trailer, basement, tent, shack, garage, barn or other outbuilding erected in the tract shall at any time be used as a residence temporarily or permanently nor shall any structure of a temporary character be used as a residence. A temporary construction command post will be allowed.

Section 9: No barns, stables, and outbuildings for the purpose of maintaining horses or other livestock type animals shall be permitted on any lot. No animals, livestock, poultry, or reptiles of any kind shall be raised, bred or kept on any portion of the property, except that no more than two domesticated dogs and cats and small non-offensive and harmless household pets may be kept by the owner of the property, provided that they are not kept or used for breeding or maintained for any commercial purpose. Pets kept outside must not constitute a danger or nuisance including, but not by way of limitation, excessive barking or causing property damage to other lot owners or to the subdivision. When outside no animal may be staked out and when not contained within a fenced area, all pets must be kept on a leash. No animal pens, runs, housing or like enclosure shall be kept or placed on any lot, however, this shall not exclude proper fencing of the yard as permitted herein or animal runs and housing that are not visible from the street.

Section 10: Mailbox. No mail or paper box or other receptacle of any kind for use in the delivery of mail, magazines, newspaper or similar materials shall be erected or located upon any lot except such receptacle of standard design as approved by the Declarant or its

