

Prepared by and mail to:  
Nathan M. Garren  
Attorney at Law  
PO Box 985  
Creedmoor, NC 27522-0985

STATE OF NORTH CAROLINA  
COUNTY OF GRANVILLE

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
GRANVILLE FOREST

ARTICLE I

DEFINITIONS

Sect on 1. "Association" shall mean and refer to Granville Forest Homeowners Association a North Carolina non-profit corporation, its successors and assigns.

Sect on 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" or "Properties" shall mean and refer to that certain real property hereinafter described in attached Schedule "A" and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. Title to Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the common areas to the association, free and clear of all liens and encumbrances, at the time or prior to the conveyance of the first lot, including, but not limited to, drainage easements and easements to governmental authorities, upon the condition that such area as shall be designated common areas shall be for the sole and exclusive use and benefit of the members. Such area shall be maintained in conformity with the requirements of this Declaration, Bylaws and Articles of Incorporations of the Association, at the sole expense of the Association.

*Del. Nathan Garren Atty. 8/2/01*

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Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area listed as a part thereto of Granville Forest.

Section 6. "Declarant" shall mean and refer to **John B. Braddy and John K. Milliken.** Peggy B. Braddy joins in this declaration for the sole purpose of releasing her marital rights, if any, in the property comprising Granville Forest.

Section 7. "Board of Directors" means those persons elected or appointed and acting collectively as the Directors of the Association.

Section 8. "Bylaws" means the bylaws of the Association as they now or hereafter exist.

Section 9. "Common Expenses" shall mean and include:

- (a). All sums lawfully assessed by the Association against its members;
- (b). Expenses for maintenance of the homes as provided in this Declaration;
- (c). Expenses of administration, maintenance, repair or replacement of the common areas;
- (d). Hazard, liability or other such insurance premiums as the Declaration or Bylaws may require the Association to purchase; and
- (e). Other expenses agreed by the members to be common expenses of the Association.

Sect on 10. "Member" shall mean and refer to every person who is a member of the Association

Sect on 11. "Person" shall mean and refer to any individual, Corporation, Partnership, Association Trustee or other legal entity.

Sect on 12. "Home" shall mean and refer to a dwelling or place of residence constructed upon a lot within the property.

**ARTICLE II**

**PROPERTY RIGHTS**

Section 1. Owners' Easements 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 charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area
- (b). The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities 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.

- (c). 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.
- (d). The right of the Association to formulate, publish and enforce rules and regulations as hereinafter set forth.
- (e). The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the common areas and facilities, upon consent of at least two-thirds (2/3) of the lot owners, excluding the Declarant.
- (f). All easements and parking rights hereinafter defined.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the bylaws, his right of enjoyment to the Common Area and facilities to the members of his family who reside on the property.

Section 3. Parking Rights. All owners of lots upon which are constructed detached homes have paved driveways entering and exiting on streets with not less than two parking spaces. In the event that said detached homes have common driveways, each owner shall be entitled to an easement across the adjoining lot upon which the common driveway is constructed for the purpose of ingress, egress and regress only.

Section 4. Antennas and Cablevision. The Association shall regulate or prohibit the erection of antennas on individual lots. No satellite dishes shall be erected thereon unless such dishes are mounted on the residential dwelling and have a diameter not more than twenty-four (24) inches. Cable Vision may be provided and installed by the local cable franchisee.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment, including contract purchasers, but excluding persons who hold an interest merely as security for the performance of any obligations, shall be a member of the Association, and shall be entitled to vote. 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 (2) classes of voting membership:

Class A Class "A" members 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 they determine, but in no event shall more than one vote be cast with respect to any lot.

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Class B The Class "B" members(s) shall be the Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:  
a.. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or  
b. January 1, 2004.

ARTICLE IV.

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the Lien and personal Obligation of Assessments. The Owner of each lot by the acceptance of the 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 assessments or charges, and

2. Special assessments for capital improvements, such assessments, such assessments to be established and collected as hereinafter provided . The annual and special assessments, together with interest, costs and reasonable attorney's fee, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner of such property at the time when the assessment is due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

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 in the properties and for the improvement and maintenance of the Common Area, the enforcement of these covenants and rules of the Association and the provision of services and facilities for purposes of and related to the Common area.

Section 3. The annual Assessment shall be determined by a vote of two-thirds (2/3) of the Board of Directors.

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, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the Board of Directors.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a monthly basis. However, if sub-

classes of membership are created by the Board of Directors such assessments shall be fixed at uniform rates for all Lots within any sub-class. Assessments may differ between areas having different sub-classes of membership. Assessments with respect to a sub-class of membership shall be determined by the cost to the Association, experienced or reasonable anticipated, of carrying out the purposes of assessments. As applied to the sub-classes of membership. Provided however, that the assessment for Lots owned by the Declarant or its immediate grantee, for which a Certificate of Occupancy has not been issued by the appropriate government authority, may be a lesser amount as fixed by the Board of Directors of the Association, but shall not be less than ten (10%) per cent of the regular assessments for such Lots.

Section 6. Date of Commencement of Annual Assessments: The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the common area. 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 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 subject thereto. The 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 for whether the assessments on a specific lot have been paid. The properly executed certificate of the Association as to the state of assessment on a lot is binding upon the Association as of date of its issuance.

Section 7. 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 prime plus one and one half (1 ½ %) percent per annum. The association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability of the assessments provided.

Section 8. Subordination of the lien to Mortgages. The lien of the assessments provided for herein shall be subordinated to a lien of any first mortgage. Sale or transfer of any lot shall not affect the assessments lien. However, the sale or transfer of a lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien upon such sale or transfer. However, no such sale or transfer shall relieve such lot from liability for any lien for assessments thereafter becoming due.

## ARTICLE V

### EXTERIOR MAINTENANCE

In addition to maintenance of the Common Area, and any private streets, parking areas and sewer lines, the Association may provide (upon notice to the Owner) exterior maintenance

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upon each lot which would be subject to an additional assessment hereunder as follows: care for trees, grass and shrubs.

Any owner who fences or encloses any portion of his lot (said fence or enclosure shall require the prior approval of the Architectural Committee of the Association) may plant trees shrubs, flowers and grass in the fenced or enclosed portion as he elects and shall maintain both the interior and exterior sides of the fences as well as the enclosed portion at the owner's expense, provided such maintenance does not hinder the Association in performing its maintenance duties to the Common Area. No such maintenance by an Owner shall reduce the assessment payable by him to the Association.

All owners shall be responsible for maintaining and repairing subject to this declaration, at their own expense the exterior walls, roof, foundation and/or other structure of the home. All owners shall further be responsible at their own expense for proper maintenance their yards, including but not limited to the mowing and trimming of grass and other ground covers as required. If, in the opinion of Association, any such owner fails to maintain or repair the exterior walls, roof, foundation and/or structure, the Association shall after notice to the owner provide for such maintenance or repair and the cost of the assessment to which his Lot is subject shall be adjusted accordingly. If, in the opinion of Association, any such owner fails to properly maintain his yard, the Association shall after notice to the owner provide for such maintenance, including but not limited to the mowing and trimming of grass and other ground covers, and the cost of the assessment to which his Lot is subject shall be adjusted accordingly.

In the event that the need for maintenance or repair of a Lot or the improvements thereon is caused through the willful negligent acts of its owner and his/her family, tenants, contract purchasers, guests or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, or 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 Lot is subject.

ARTICLE VI

ARCHITECTURAL CONTROL

No building, roofing, fence, wall, antenna, clothes line, or other structure shall be commenced, erected, or maintained up the property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications knowing the nature, kind, shape, colors, paint, height, materials, and location of the said improvements or alterations shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant or the Board of Directors of the Association or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. In the event that the Declarant, the Board or the designated Committee fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to them, approval will not be required and this Article will be deemed to have been fully complied with; provided, that the plans and specification required to

be submitted shall not be deemed to have been received if they contain erroneous data or fail to present accurate information upon which the Declarant, the Board or its Committee can arrive at the decision.

The said Declarant, the Board or its Committee shall have the right, at their election, to enter upon any lot during construction, erection, or installation of improvements or alterations to inspect the work being undertaken in order to determine that such work is being performed in conformity with the approved plans and specifications and in a good and workman-like manner, utilizing approved method and good quality materials.

## ARTICLE VII

### USE RESTRICTIONS

Section 1. Rules and Regulation The Board of Directors of the Association shall have the power to formulate, publish, and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Area. Such rules and regulations, along with all policy resolutions and policy actions taken by the Board of Directors, shall be recorded in a Book of Resolutions, which shall be maintained in a place convenient to the owners and available to them for inspection during normal business hours.

Section 2. Use of Property Each home and the Common Area and facilities shall be for the following uses and subject to the following restrictions, and, in addition, to those set forth in the Bylaws:

- a. All buildings and the limited common area and facilities shall be used for residential and related common purposes. No lot may be subdivided. All homes shall be used only as a single-family residences and for not other purposes, provided, however, that the Declarant may use one or more homes for offices and/or model homes for sale purposes. No structure of a temporary character - trailer, tent, shack, garage or other out building, shall be placed on any lot, either permanently or temporarily, except those temporary structures used in connection with construction on any lot or street within the Granville Forest Subdivision.
- b. No residential building less than 1,300 square feet of heated living area excluding porches, carports, decks of other out structures shall be placed on any lot.
- c. Construction of any improvement upon any lot shall be completed within twelve (12) months from the commencement of construction.
- d. Nothing shall be kept and no activity shall be carried on in any building or home or on the Common Area and facilities which will increase use, for the property or the contents thereof. No owner shall do or keep anything, nor cause or allow anything to be done or kept, in his home or on the Common Area and facilities which will result in the cancellation of insurance on any portion of the property, or the contents thereof, or which will be in violation of any law, ordinance, or regulation. No waste shall be committed on any portion of the Common Area and facilities. All garbage receptacles, containers and enclosures shall be located at the rear of the home, and shall be concealed by walls, fences, or other screening at all times except for pick-up times.

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e. No immoral, improper, offensive or unlawful use shall be made of the property, or any part thereof, and all valid laws, ordinances, and regulation, or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the property, shall be complied with, by and at the sole expense of the owner or the Association, whichever shall have the obligation to maintain or repair such portion of the property.

f. Nothing shall be done in or to any home or in, to, or upon any of the Common Area and the facilities which will impair the structural integrity of any building, home, or portion of the Common Area and facilities or which would impair or alter the exterior of any building or portion thereof, except in the manner provided in this Declaration.

g. No industry, business, trade, occupation or profession of any kind, whether commercial or otherwise, shall be conducted, maintained or permitted on any part of the property, except that the Declarant or its agents may use any unsold home or lease up to the five homes for sales or display purposes.

h. No Owner shall display, or cause or allow to be displayed, to public view, any sign, placard, poster, billboard or identifying name or number upon any home, building, or any portion of the Common Area and Facilities, except any owner may display a for sale sign not to exceed 2' X 3' on his lot. No other signs shall be permitted except as may be allowed by the Declarant or the Association pursuant to its laws.

i. No person shall undertake, cause or allow any alteration or construction or upon any portion of the Common Area and facilities except at the direction of and with the express written consent of the Association.

j. The Common Area and facilities shall be used only for the purposes for which they are intended and reasonably suited and which are incident to the use and occupancy of the homes, subject to any rules or regulations that may be adopted by the Association pursuant to the bylaws.

k. All automobiles and other motor vehicles must be currently licensed and inspected if they are visible from adjacent property. Any automobiles not currently licensed and inspected shall be subject to removal by the Association at the owner's expense. No automobiles, motor vehicles, boats, recreational vehicles or trailer of any type shall be parked upon the roads or right-of-ways overnight. Boats, recreational vehicles or trailer of any type (not to exceed two (2) in number) shall not be park in front of the front building line on any lots and on corner lots in front of the side building line to the adjacent street.

l. No clothing rags, rugs, linens, blankets, draperies, or patios, fences or other structure at any time except on any clothes line, as may be permitted under this Declaration

m. No building shall be placed nearer than fifteen (15) feet to the side property line or nearer than twenty (20) feet to the rear property line or nearer than fifty (50) feet from the front of the property line on all lots. If the lot is a corner lot, the set back requirements shall be twenty-five (25) feet. Storage buildings, with approval of the Architectural Committee, may be placed within ten (10) feet of the rear property line. The initial owner must secure prior approval of Declarant for the location of any residential structure.

n. Each owner of a lot shall at all times maintain the lot and structure thereon in a well kept condition.



o. Removal of live trees by a n Owner requires written approval of the Architectural Committee unless the tree is less than ten inches (10") in diameter at a height above the ground of two feet (2').

Section 3. Quiet Enjoyment No obnoxious or offensive activity shall be carried on upon the property, not shall anything be done which may be or may become a nuisance or annoyance to residents within the property.

Section 4. Animals No animal, livestock, or poultry of any kind shall be kept or maintained on any lot 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 that they are either kept in the home of the owner or in the case of dogs may be housed outdoors so long as an approved privacy fence is erected and the dogs are not a nuisance to the neighborhood. No more then three (3) dogs per household will be permitted..

Section 5. Imposition of Fines After notice to the a lot owner and opportunity to be heard, the Board of Directors of the Association shall impose reasonable fines for violations of the declaration, bylaws, and rules and regulations of the association.

#### ARTICLE VIII

Section 1. Walks, Drives, Parking Area, and Utilities All of the Common Area shall be subject to a perpetual non-exclusive easement or easements in favor of all owners of lots for their use and the use of their immediate families and guests for all proper and normal purposes and for ingress, egress and regress for driveways, walkways, and parking areas, and all o f the property shall be subject to perpetual non-exclusive easements in favor of all owners of lots for their use and the use of their immediate families and guests for water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines, television antenna lines, and other public utilities all of which shall be established prior to subjecting the property to this Declaration by the Declarant of its predecessors in title and for the use of the owner, their families and guests; and the Granville Forest Homeowners Associations, Inc.. shall have the power and authority to grant and to establish in, over, upon and across the Common Area conveyed to it such further easements as are requisite for the convent use and enjoyment of the property and Granville Forest Subdivision.

Section 2. Encroachments. All lots and Common Area shall be subject to easements for the encroachment of initial improvements constructed on adjacent lots by the Declarant to the extent that such initial improvements actually encroach, including, without limitation, such item are overhanging eaves, gutters, downspout, exterior storage rooms, fences and walls. If any encroachment shall occur subsequent to subjecting the property to this declaration as a result of settling or shifting of any building or as a result of any permissible repair, construction, reconstruction, or alteration, there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same. Every lot shall be subject to an easement for

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the entry and encroachment by the Declarant for a period not to exceed eighteen (18) months after the conveyance of a lot to an owner. Said easement shall be for the purpose of correcting any problems that may arise regarding grading and drainage. The Declarant, upon making entry for such purpose, shall restore the affected lot or lots to as near the original condition as practicable.

Section 3. Emergencies Every lot and home shall be subject to an easement for entry by the Association for the purpose of correcting, repairing, or alleviating any emergency condition which arises upon any lot or within any home and that endangers any building or portion of the Common Area and to do other work reasonable necessary or useful for the property maintenance of Granville Forest Subdivision.

Section 4. Other Easements All owners of detached homes shall have a perpetual easement to go upon adjacent lots for the purpose of maintaining and repairing the exterior walls, roof, foundation or other structure, as herein provided. However, no repair materials may be stored upon the adjacent lot and the owner, upon making entry for such purpose, shall restore the affected lot or lots to as near the original condition as practicable.

The Declarant reserves the right to subject the real property in this subdivision to a contract with Duke Power Company for the installation of street lighting, which requires a continuing monthly payment to Duke Power Company by each residential customer.

ARTICLE IX

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 and 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 Invalidity of any one of these affect any other provisions which shall remain in full force and effect.

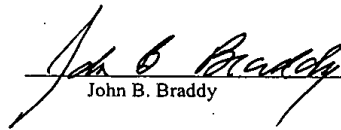
Section 3. Amendment The covenants and restrictions of this declaration shall run with and bind the land, for a term of twenty (20) years from the date this declaration is recorded, after which time they shall be automatically extended for successive period for ten (10) years. This declaration may be amended by an instrument by not less than seventy-five (75%) percent of the lot owners. Any amendment must be recorded.

Section 4. FHA/VA Approval As long as there is a class "B" membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restriction.

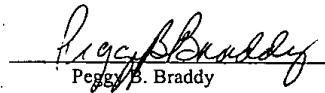
Section 5. Lease of House No home shall be leased for transient or hotel purposes, nor may any owner lease less than the entire unit, nor shall any such lease be for a period of less than 180 days. All leases shall be subject to the Declaration.

Section 6. Conflicts In the event of irreconcilable conflict between the Declaration and the Bylaws, the Declaration shall control. In the event of irreconcilable conflict between the Bylaw and Articles of Incorporation of the Association, the Articles of Incorporation shall control.

Executed this 8th day of August, 2001.

  
John B. Braddy

  
John K. Milliken

  
Peggy B. Braddy

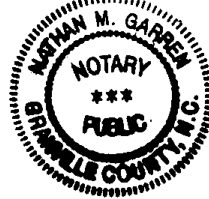
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NORTH CAROLINA  
COUNTY OF GRANVILLE

I, a Notary Public of the County and State aforesaid, certify that John B. Braddy and Peggy B. Braddy personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 21<sup>st</sup> day of August, 2001.

*Nathan M. Garren* (SEAL)  
Notary Public

My commission expires: 10/01/2002

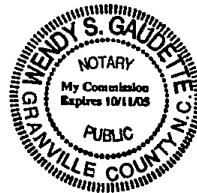


NORTH CAROLINA  
COUNTY OF GRANVILLE

I, a Notary Public of the County and State aforesaid, certify that John K. Milliken personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 8<sup>th</sup> day of August, 2001.

*Wendy S. Gaudette* (SEAL)  
Notary Public

My commission expires: 10/11/05



SCHEDULE A

LEGAL DESCRIPTION

Tract One:

Being all of Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23 and 24 and all of Tract 4 of Granville Forest Subdivision, Phase I, as shown on that plat recorded in Plat Book 26, Page 144, Granville County Registry, North Carolina.

Tract Two:

Being all of Lots 21, 22, 23, 24, 25, 26, 27, and 28, Block A, and Lots 13 and 14, Block B, Butner Realty Company Property, as shown on that plat recorded in Plat Book 3, at Page 23, Granville County Registry, North Carolina.

STATE OF NORTH CAROLINA, GRANVILLE COUNTY,  
The foregoing certificate of Nathan M. Dorman  
and Wendy S. Boudette ~~is~~ <sup>are</sup> certified to be correct. This instrument was presented for registration and filed in this office in Book 864 Page 827.  
This 5<sup>th</sup> day of June, 2001 at 12:30 clock PM.  
Register of Deeds Kathryn Crews Dornett  
by Gayle B. Schope Assistant Deputy ✓